



Sewerage and Water Board

OF NEW ORLEANS, LOUISIANA



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2013**

About The Cover

Turbine No. Four, at the Board's Water Purification and Power Plant, has a futuristic look, but is actually a 1920 vintage turbine-generator set that has been serving the citizens of New Orleans since the 1950s.

The turbine is capable of producing as much as 20 megawatts of 25 cycle power used to run the 25 cycle water distribution pumps and 25 cycle power drainage pumps located throughout the city. The Sewerage and Water Board's redundant, unique system is comprised of pumps, some with 25 cycle driven motors and some with 60 cycle driven motors. The benefit of the Sewerage and Water Board's system is that if during a storm or severe rain event, 60 cycle commercial power is lost because of overhead power line failure or other reasons, the Board has underground feeders which are protected from wind or storm damage that still have the ability to power and run 25 cycle drainage pumps.

Since Turbine No. Four is a permanently mounted structure, it was necessary to work inside of the turbine casing with portable machinery, for the purpose of refurbishing it and bringing it from a Katrina-damaged diminished capacity back to original condition and capacity of 20 megawatts.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

**Comprehensive Annual Financial Report
For The Year Ended
December 31, 2013**

**Prepared by:
Finance Administration
Ethel H. Williams
Finance Administrator**

Mission, Vision, and Values

Our mission is to provide safe drinking water to everyone in New Orleans; to remove waste water for safe return to the environment; to drain away storm water; to provide water for fire protection; to provide information about products and services; and to do all of this continuously at a reasonable cost to the community.

Our vision is to have the trust and confidence of our customers for reliable and sustainable water services.

We believe in these values as the foundation for how we will perform our mission and pursue our vision:

- We will focus on our customers and stakeholders.
- We will treat each customer and employee with dignity and respect.
- We will value each employee, their work, and their commitment.
- We will be truthful, trustworthy and transparent.
- We will be knowledgeable and diligent in the performance of our duties.
- We will use financial resources prudently.
- We will be accountable for our performance.
- We will continuously improve our performance.
- We will ensure that the systems that provide our services remain viable for future generations.
- We will remain on the job and will be prepared for storms and other risks.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Comprehensive Annual Financial Report
Year ended December 31, 2013

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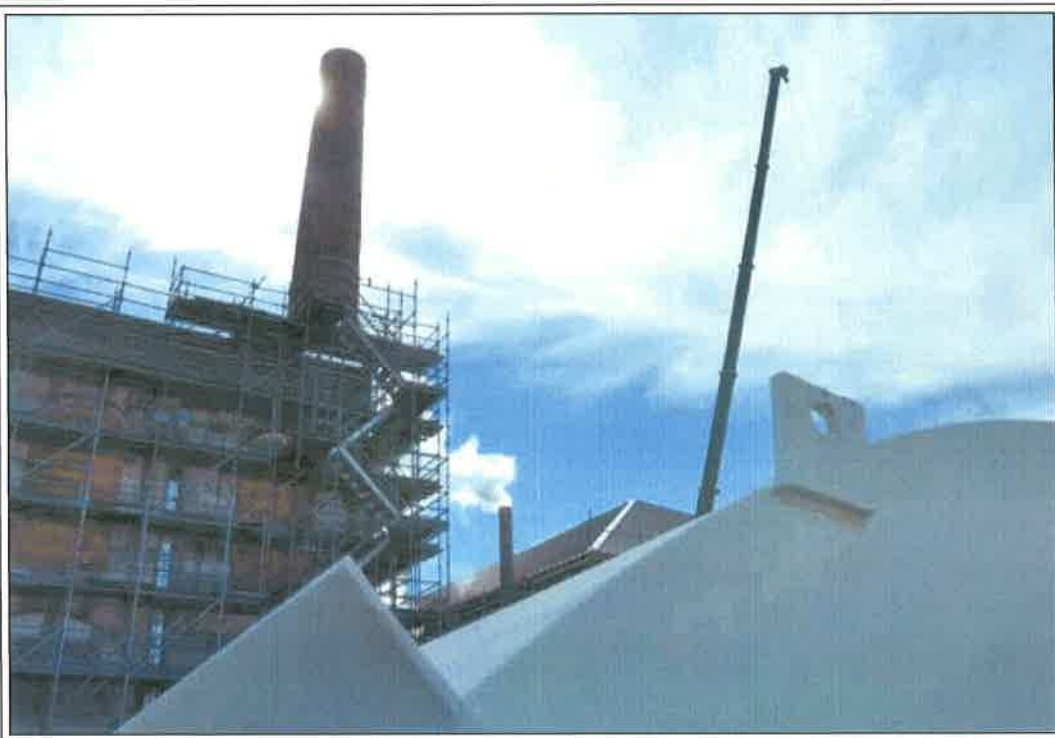
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INTRODUCTORY SECTION

A view overlooking the wetlands project shows some of the vegetation and wildlife already returning to Bayou Bienvenue. The project—near the East Bank Sewage Treatment Plant --is designed as a demonstration to show the positive impact that treated wastewater can have on the environment when used properly. The project will work to restore the wetlands and grow native trees that act as a natural barrier to storm surges.



Work is underway by the Corps of Engineers to strengthen and storm proof the Boiler Room of the Power Plant. This post-Katrina work will structurally strengthen the building in the event of another catastrophic storm. This project provides for storm proofing the Carrollton Power Plant and the Old River and New River water intake buildings. It will provide protection for the power production and distribution system.



"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21ST CENTURY"

Sewerage & Water Board OF NEW ORLEANS

MITCHELL J. LANDRIEU, *President*
WM. RAYMOND MANNING, *President Pro-Tem*

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April 22, 2014

TO: THE HONORABLE PRESIDENT AND MEMBERS OF THE
SEWERAGE AND WATER BOARD OF NEW ORLEANS

We are pleased to present the Comprehensive Annual Financial Report of the Sewerage and Water Board of New Orleans for the year ended December 31, 2013. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest solely with the Sewerage and Water Board. It is our belief that the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position, results of operations, and cash flows of the Board's Enterprise and Pension Trust Funds. All disclosures necessary to enable the reader to gain an understanding of the Sewerage and Water Board's financial activities have been included.

COMPREHENSIVE ANNUAL FINANCIAL REPORT SECTIONS

The Comprehensive Annual Financial Report is presented in four (4) major sections: Introductory, Financial, Statistical and Supplemental. The Introductory Section includes the transmittal letter and listings of the officers, members and committees of the Board of Directors. This section also includes the Board's organizational chart and a reproduction of the 2012 Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. The Financial Section includes the independent auditors' report, along with the basic financial statements, required supplementary information, accompanying notes and other supplementary information. The individual fund statements for the Enterprise and Pension Trust Funds are included. Required supplementary includes management's discussion and analysis and a schedule of pension funding progress and contributions. The Statistical Section includes selected financial and demographic information, generally in a multi-year presentation. Additional information relative to the Sewerage and Water Board's operations is included in a Supplemental Section.

The independent audit of the financial statements of the Sewerage and Water Board was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Sewerage and Water Board's separately issued Single Audit Report. The Board's internal control over financial reporting is a process designed by, or under the supervision of, the Board's executive director and financial administrator, and effected by the Board of Directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Board's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Board;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Board are being made only in accordance with authorizations of management and Board of Directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Board's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Sewerage and Water Board meets the criteria for classification as an "other stand-alone government" as described in Governmental Accounting Standards Board Statement No. 61. The reporting entity includes the Enterprise Fund and the Pension Trust Fund. The Enterprise Fund is composed of three (3) independent systems: Water, Sewerage and Drainage.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Sewerage and Water Board's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

Sewerage and Water Board of New Orleans is a political subdivision created in 1899 by Louisiana State Statutes. The Board is charged with construction, operation, and maintenance of Water, Sewerage and Drainage Systems for the City of New Orleans. By agreement, approximately 2,550 acres of adjoining Jefferson Parish is served by the Board's drainage facilities for which Jefferson Parish pays its pro rata share of expenses. In addition, the Board provides sewerage services to Jefferson Parish businesses the majority of which are restaurants located in the West End neighborhood near the Lakefront. Additionally, the Board provides water and sewerage services to the Plaquemines Parish Industrial Park. The Sewerage and Water Board was established as a "special board" operating independently of city government. The Mayor of New Orleans serves as the President of the Board of Directors which is composed of three (3) representatives of the City Council, two (2) members of the Board of Liquidation, City Debt and seven (7) appointees as designated by the State Statutes, as of December 31, 2013. Effective January 1, 2014, the Board's makeup is changed to eleven members, including the Mayor to serve as the President of the Board of Directors, two (2) members of the Board of Liquidation, City Debt and eight (8) citizens, as designated by the State Statutes. The initial terms of office shall be staggered from one year to four years, as designated by State Statutes, as well.

ECONOMIC CONDITION AND OUTLOOK

The Board's service area includes the Civil Parish of Orleans in the state of Louisiana and covers 364 square miles. Based on the 2010 census, the population of Orleans Parish was 369,250. Major industries include tourism, oil and gas, transportation, health and other services, such as legal, education and entertainment. According to the December 2013 issue of the Metropolitan Report, Economic Indicators for the New Orleans Area (UNO Report), in the first three quarters of 2013, the New Orleans Metropolitan Statistical Area (MSA) economy had a modest growth over the same period in 2012. Total employment increased slightly by 1% or by approximately 4,600 jobs.

Employment growth in the New Orleans area for the next two years will continue to increase displaying a fair amount of seasonality. By the third quarter of 2015, the area will have approximately 534,000 jobs, according to the UNO report (See Figure 1).



FIGURE 1

Year to Date Analysis

Over last year, employment in the Professional and Business Services sector increased by about 2,700 jobs or 4%. Out of the total number of new jobs added, nearly 2,500 were accounted for in the Administrative, Support and Waste Management subsector, and another 600 jobs were created in the Professional, Scientific and Technical subsector. A slight loss was incurred in Management of Companies where about 300 jobs were lost.

The second biggest gain was recorded in Retail where about 1,700 additional jobs were added to the local economy. The Construction sector also reported a substantial growth in employment due to an increase in the non-residential contract activity. This sector added about 1,200 jobs year-to-date.

Other industries experienced moderate growth in the New Orleans area over the past year. Educational Services and Hospitals had a growth of about 700 jobs each, while Accommodation and Mining and Logging added about 600 new jobs per sector.

Job losses in the New Orleans area were most notable in the sectors of Government, Transportation, Warehousing and Utilities, and Information.

Unemployment

The overall labor market in the New Orleans area appears to have matched that of the nation as a whole. While the national unemployment rate continued to trend down over 2012 and throughout 2013, the metro area unemployment has been increasing since December 2012. The national rate was at 7.3%, down from 8.0% in the third quarter 2012, while the New Orleans MSA rate was standing at 7.2% up from 6.8% in the third quarter of 2012.

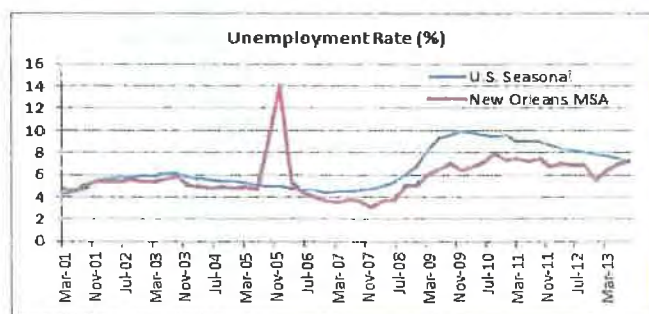


Figure 2

Local initial unemployment claims were down 50% over the same quarter last year. This significant drop can be attributed to Hurricane Isaac which triggered an unexpected increase in initial claims in the third quarter of 2012. Now, it appears that initial unemployment claims are back to normality. Continued unemployment claims, an indicator which is less volatile, decreased by 30% over the same time period. The recent increases in unemployment rate and a reduction in continued unemployment claims may indicate that some people are entering the labor force but without much success as job growth remains low in the area. The unemployment rate in the New Orleans metro area has consistently remained below the national average since after Katrina.

New Orleans MSA and the U.S. Employment

The overall rate of employment growth in the U.S. increased at a slightly higher pace (2%) than the New Orleans metropolitan area (1%) over the first three quarters in 2013. The figure below illustrates the contrast in employment growth across sectors of employment between the U.S. and New Orleans Metropolitan Statistical Area (MSA), according to the report.

The most significant decrease for the New Orleans area was observed in the number of Manufacturing of Durable Goods jobs which declined about 5% from last year. The U.S. as a whole gained 1% in this particular sector. In addition, at the MSA level the State Government incurred another 4% loss and continued to reduce Government employment. At the national level, State Government employment was down only 1%. The number of jobs in the Federal Government continued to decrease as well. While the nation lost 2% of these jobs, the metro area was down about 1%.

Employment growth in the New Orleans area outpaced nationwide employment growth in several sectors, such as Administration, Support and Waste Management, Natural Resources and Mining, Educational Services and Accommodation.

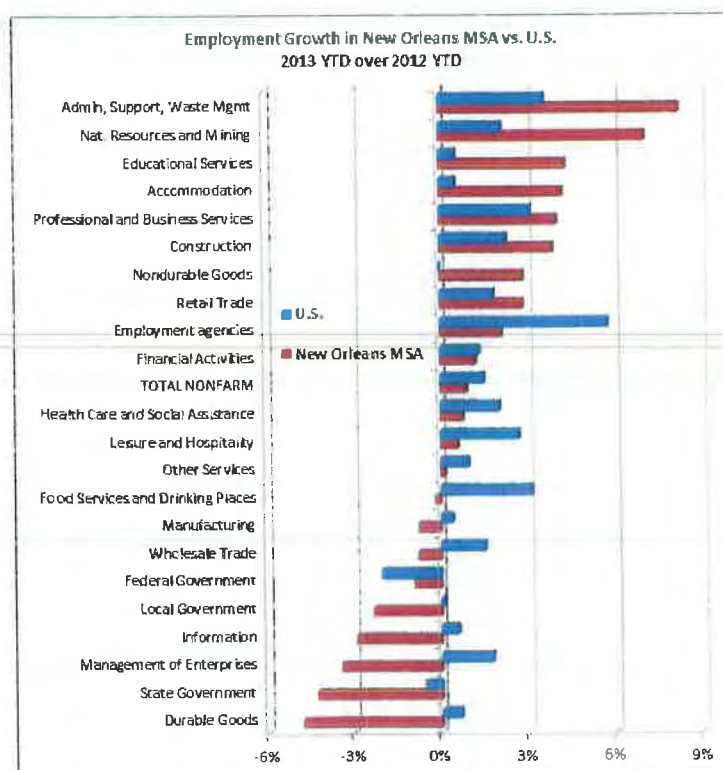


Figure 3

Oil and Gas Production

Year-to-date, oil production was up 6%. Third quarter results also showed a significant improvement of oil production in Louisiana over the past year. Most recent quarterly data indicated an increase of about 14% over the same period in 2012. Oil production continues its upward trend and is currently at about 88% of the production level observed prior to Katrina.

Construction

Activity in the first nine months of 2013 looks very similar to 2007 and 2011 when non-residential contracts were predominant. It was primarily driven by a massive \$1.03 billion industrial project investment supported by Cornerstone Chemical and Dyno Novel in Jefferson Parish. This investment will likely carry on in future periods. Cash-based residential construction, which was common post-Katrina, is not included in any of the reported figures.

Tourism

During the first half of 2013, the New Orleans tourism industry continued to attract more visitors than the previous year, a trend that has persisted since 2007. About 5.04 million visitors came to the New Orleans area in the first half year 2013, marking a 2% increase over the 4.94 million visitors who came during the same period in 2012. Spending estimates were \$3.74 billion including gambling. Greater visitor spending in the New Orleans metropolitan area results in additional tourism-related employment opportunities for local residents, according to the UNO report.

MAJOR INITIATIVES

WATER

Carrollton Water Purification Plant

- Construction of the new sodium hypochlorite storage and feed facility, financed through the State Revolving Loan Program and \$1,000,000 in ARRA stimulus fund, is completed.
- Staff is overhauling the flocculation-sedimentation basin G4 by replacing the gearboxes, upgrading the mono-rake system and modifying the sludge piping.

Water Quality Laboratory

- Routine monitoring of Total Organic Carbon (TOC) removal through the treatment process continued in 2013 and progress is being made toward state certification for TOC analysis.
- Corrosion control monitoring program: Data collection continues to gauge the effectiveness of the treatment processes and any process change on corrosivity.
- Lab staff is working on establishing a new protocol to analyze haloacetic acids in-house, and has completed the tri-annual lead and copper survey this summer.

Algiers Water Purification Plant

- New anhydrous ammonia feed system is in service supporting plant operations.
- New sodium hypochlorite metering pumps and instrumentation were purchased and installed by staff

Water Pumping & Power

- The \$12.8 M Turbine 4 (20 MW) project replaces the steam path, rotor, auxiliaries and condenser w/motor, installs transmitters and update the governor control system.
- Turbine 6 (15 MW 60 Hz) is currently in final testing phase. The federally funded project was awarded in November 2009.
- The \$2.8 M project to replace boiler pre-heater at the power complex was awarded in November 2011. The project is scheduled to be complete by mid-2014.
- The New River Intake Station FEMA project to repair/replace the suction, discharge and check valves on Pump No. 1 was completed in mid-2013.

- The \$12.7 M reconditioning of the DeLaval steam driven distribution pumps and turbines continues. FEMA also funded addition of a 60 HZ motor and pump reconditioning of No. 2 pump unit at Panola St. High Lift Station.
- The \$32.6 M FEMA Water Hammer project to repair the pumps at Claiborne and the Panola Pump Stations and add new storage tanks is under design.
- Corps storm proofing projects are in construction at the power plant, the Oak River and New River Intake Stations, and the plant frequency changer building.
- The Retrofit Power Plant Hazard Mitigation Project design is underway for the power plant (boilers, turbines, structural hardening), fuel tank, and power network. Construction began in 2013 for repairs to Generator No. 4 and installation of two 60-HZ feeders.

Water Distribution System

- Since 2011, Echologics leak detection system has identified 3,475 leaks in the distribution system and 94 leaks associated with transmission mains.
- Over 17,255 work activities occurred in the water system in 2013. These included 339 water leaks investigations, 2,240 water valves inspected, and repairs to 10,027 water service lines, 1,643 water mains, 1,290 valves, 1,132 fire hydrants and 25 water manholes. Also, 25,832 water meters were installed, removed or reset.
- Preventative maintenance of fire hydrants is continuing in coordination with the local fire department. The Board has performed preventative maintenance for 2,898 of the 16,500 fire hydrants mapped.
- The Board is continuing to coordinate with Department of Transportation and Development (DOTD) and Department of Public Works (DPW) to repair or replace water lines associated with the Submerged Roads Program and other roadway repair projects. FEMA has to date obligated \$125 M for water line replacements.

SEWERAGE

East Bank Wastewater Treatment Plant

- A new \$2.1 M administration/laboratory building was completed in July 2013.
- Replacement of the chlorine feed system was completed in 2013 along with upgrading the rail car platform to be able to accept larger, 90-ton, railcars.
- Repairs were made to the fluidized bed incinerator (installation of venturi throat liners, replacement of failed tuyers and rehab of the refractory wall and dome).
- Bids for the new sludge dryer were rejected and the project is being reevaluated with input from Veolia, the contracted operator for the facility.
- Influent TSS and BOD concentration are approx. 150 milligrams per liter (mg/L) and 115 mg/L, respectively. Effluent quality has been good with only one exceedence, a daily fecal coliform permit violation occurred in December 2013. The East Bank plant has again earned the Silver Award for environmental compliance from the National Association of Clean Water Agencies.
- The #2 and #5 main effluent pumps were rehabilitated in 2013 to be able to better handle the flow during storm or other high flow events.
- The Central Wetland Assimilation project is under construction and expected to be completed in mid-2014.
- The construction of a +17'MSL \$24.4 M earthen/structural berm was awarded March 2012 and is scheduled to be completed by mid-2014.

West Bank Wastewater Treatment Plant

- Rehabilitation of the sludge thickener tank was completed in 2013. This included cleaning out the tank and repairing issues with the center rotating arm.
- All of the windows at the Administration building were replaced in 2013 with new, hurricane rated, windows. The back wall was also sealed.

- Major overhauls were completed to the effluent pumping system, including replacement of the rotating units for 12-MGD pump.
- Treatment was exceptional with zero permit violations or process overflows in 2013 (actually none in eleven years). This treatment plant has again earned the Gold Award from the National Association of Clean Water Agencies.
- Repairs were made to the main breaker for the standby power generator to ensure its continued reliability in the event of a power outage.

Central Yard

- Construction of a new Annex Building was awarded in February 2012 and is scheduled for completion in March 2014.
- A new \$1.8 M site relocation facility is in construction. The facility shall allow for the temporary relocation of staff and equipment from Garages 1 and 2, the machine and mill, body and tire shop while repairs are being made to those facilities.

Sewage Pumping and Lift Stations

- All the sewer pump stations are operational having undergone FEMA funded rehabilitation, i.e., electrical repair, pump and motor repair/replacement, and flood proofing.
- Design funded by hazard mitigation grant is continuing in the elevation and rebuilding of nine sewer pump stations. Seven of the projects are in construction.

Sewer Collection System

- Three sewer rehabilitation construction projects, funded by the State Revolving Loan Program, in the Lower Ninth Ward were completed in 2013.
- Design continuing for multiple point repair and replacement of sanitary sewers in the Carrollton, Lower Ninth Ward, Mid-City, New Orleans East and South Shore areas.
- Construction projects for replacement of sewer mains from manhole to manhole for various sites throughout Orleans Parish were awarded.
- DOTD and DPW coordination in repair of sewer lines (Submerged Roads Program, SSERP, ESSA) as well as routine reconstruction and maintenance.
- Preventative maintenance of the collection system included inspection of 788,685.9 ft. of sewer line utilizing closed circuit television and smoke testing, cleaning 1,594,495.8 ft., inspection of 8,717 sewer manholes and repairs to 1,982 sewer breaks, inspection and maintenance of 34 air release valves and 392,429 ft. of the force main.
- Cathodic protection survey is performed annually on the 22 systems in the collection system. Repairs were completed in 2013.

DRAINAGE

Pump Stations

- The Corps (\$23.8 M) project to install two new 300 cfs pumps and a generator at DPS 5 is expected to be complete late 2014. The DPS 20 (\$10.9 M) new generator building and DPS 3 and 6; the DPS 7 (\$16.6 M) new generator building; and the DPS 13 (\$16.0 M) new generator building were completed. The \$15.9 M storm-proofing project for DPS-1, 2, 3, 4 and I-10 shall be completed by the 2nd quarter of 2014.
- Repair work to several of underpasses pumping stations are in progress as part of FEMA funded program.
- The federally funded \$19.3 M expansion of Dwyer Road Pumping Station from 125 cfs to 1000 cfs was completed in 2013.
- The Corps began the design build of three new permanent pump stations at 17th Street, Orleans and London Canal at Lake Pontchartrain was awarded.

Drainage System

- Dwyer Road Intake Canal construction was completed October 2013. The \$58.8 M project consisted of 6,800 ft. boxed culvert into the Dwyer Road Pumping Station.
- Florida Ave. Canal Phase I (\$49.2 M) project was completed. Phases II and III from Peoples Ave. are in design.
- Napoleon Ave. Canal Phase II (\$55.1 M) 4,300 ft. canal from S. Claiborne Ave. to Carondelet St. and Phase III (\$38.1 M) 2,800 ft. canal to Constance St. are in construction.
- S. Claiborne Ave. Canal Phase I (\$27.1 M) 2,500 ft. canal and Phase II (\$27.8 M) 3,500 ft. canal is from Leonidas St. to Lowerline St. are in construction.
- Jefferson Ave. Canal Phase I (\$59.9 M) 4,400 ft. canal and Phase II (\$46.2) 3,200 ft. canal are in construction.
- Louisiana Ave. Canal from S. Claiborne Ave. to Constance St. is in design.

FINANCIAL INFORMATION

The Enterprise Fund's water and sewerage systems are financed by user fees. The unique characteristics of the services provided by the Drainage System of New Orleans requires the use of Enterprise Fund accounting in order to obtain a meaningful measure of the cost of providing the services and capital maintenance. On November 14, 2012 the Board approved both sewer and water rate increases commencing January 1, 2013. The sewer and water rates increase approximately 10% each year until the year 2020. This increase was approved by the New Orleans City Council on December 6, 2012. Revenues from the three- (3) mill, six- (6) mill and nine- (9) mill ad valorem taxes, which are restricted exclusively for drainage services, finance the Drainage System. These ad valorem taxes are the operating revenues of the drainage system. Also, there exists a potential for additional financing by additional user service charges.

Budgetary Control

The Sewerage and Water Board maintains an internal budgetary control through the preparation and monitoring of an annual operating and capital budget for the Water, Sewerage, and Drainage funds. Monthly budget reports are provided to department level managers to assist them in their fiscal responsibilities.

General Operations

The change in net position for the year ended December 31, 2013 was an increase of approximately \$153.7 million, as opposed to approximately \$124.4 million for the year ended December 31, 2012. The Board's total operating revenues increased by 8.6% to approximately \$148.7 million due primarily for rate increases effective January 1, 2013, and total non-operating revenue increased by 53.1% to approximately \$79.0 million due primarily to the forgiveness of the outstanding principal and interest due on the Special Community Disaster Loan in 2013 totaling \$30.1 million.

Other Information

State Statutes and covenants governing outstanding bond issues require an annual audit of the Board's financial records by independent certified public accountants. The accounting firm of Postlethwaite & Netterville was selected by the Board to perform this audit through a competitive bid process. The independent auditors' report on the basic financial statements is included in the Financial Section of the report. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Sewerage and Water Board of New Orleans for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

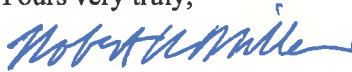
A Certificate of Achievement is valid for a period of one (1) year only. The Sewerage and Water Board of New Orleans has received a Certificate of Achievement for thirty (30) years. We believe our current report continues to conform to the Certification of Achievement Program requirements and we are submitting it to GFOA.

ACKNOWLEDGMENTS

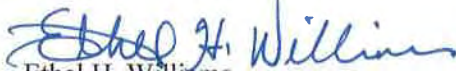
The Comprehensive Annual Financial Report was prepared by the dedicated staff of the Director's Office, particularly the Finance Administration and Printing Department. Additionally, we realize that the cooperation of each Department of the Sewerage & Water Board of New Orleans is essential, and we appreciate the willingness to work together toward this endeavor.

We also wish to thank the members of the Board for their interest and support in our efforts to achieve greater fiscal efficiency and accountability.

Yours very truly,



Robert K. Miller
Interim Executive Director

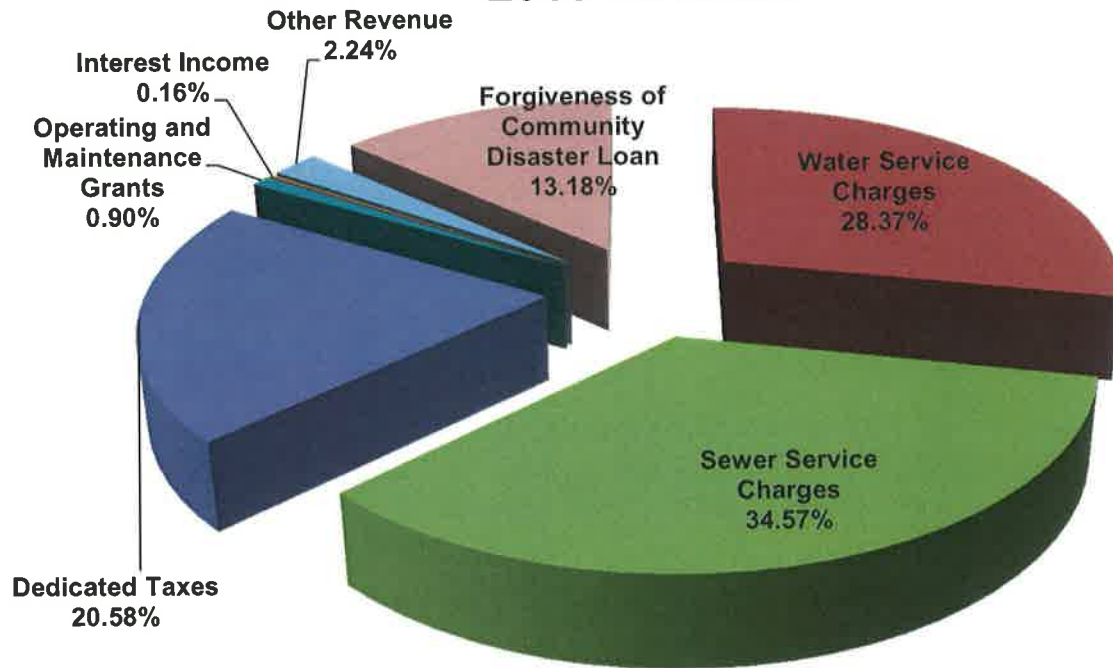


Ethel H. Williams
Financial Administrator

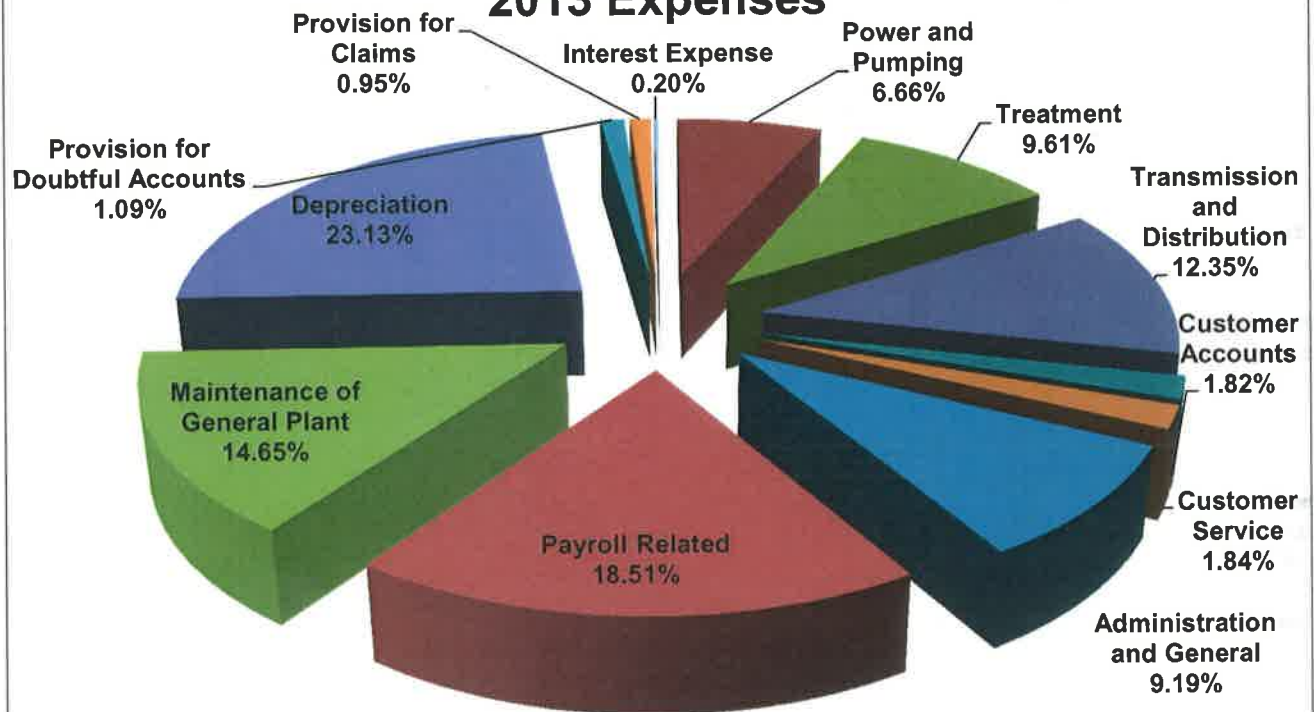
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Sewerage and Water Board of New Orleans

2013 Revenue



2013 Expenses



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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Sewerage and Water Board
of New Orleans, Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

**OFFICERS
of the
SEWERAGE AND WATER BOARD
OF NEW ORLEANS**

December 31, 2013

MITCHELL J. LANDRIEU	.....	President
	Mayor, City of New Orleans	
WILLIAM RAYMOND MANNING	.....	President Pro Tem
MARCIA A. ST. MARTIN	.....	Executive Director
ROBERT K. MILLER	.....	Deputy Director
JOSEPH R. BECKER	.....	General Superintendent
MADELINE F. GODDARD	.....	Deputy General Superintendent
NOLAN LAMBERT	.....	Special Counsel

**MEMBERS OF
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

December 31, 2013

MITCHELL J. LANDRIEU	Mayor
MARION BRACY	Council District D Appointment
STACY HEAD	Councilmember At-Large
KERRI KANE	Council District C Appointment
WILLIAM RAYMOND MANNING	Board of Liquidation Appointment
MARK M. MOODY	Board of Liquidation Appointment
KRISTIN GISLESON PALMER	Councilmember District C
GLEN PILIE	Council District A Appointment
FLORENCE W. SCHORNSTEIN	Council District B Appointment
VACANT	Councilmember
CHARLES F. WEBB	Council District E Appointment
BEVERLY WRIGHT, PhD	At-Large Appointment
LOYCE P. WRIGHT	At-Large Appointment

**COMMITTEES OF THE
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

December 31, 2013

EXECUTIVE COMMITTEE

MARK MOODY GLEN PILIE	WILLIAM RAYMOND MANNING – Chairperson	FLORENCE W. SCHORNSTEIN CHARLES F. WEBB
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FINANCE AND OPERATIONS COMMITTEE

STACY HEAD KERRI KANE	CHARLES F. WEBB – Chairperson	WILLIAM RAYMOND MANNING LOYCE WRIGHT
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INFRASTRUCTURE COMMITTEE

MARION BRACY KERRI KANE	FLORENCE W. SCHORNSTIEN - Chairperson	GLEN PILIE BEVERLY WRIGHT, PhD
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OPERATIONS COMMITTEE

MARION BRACY FLORENCE W. SCHORNSTEIN	MARK MOODY, Chairperson	BEVERLY WRIGHT, PhD LOYCE P. WRIGHT
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PENSION COMMITTEE

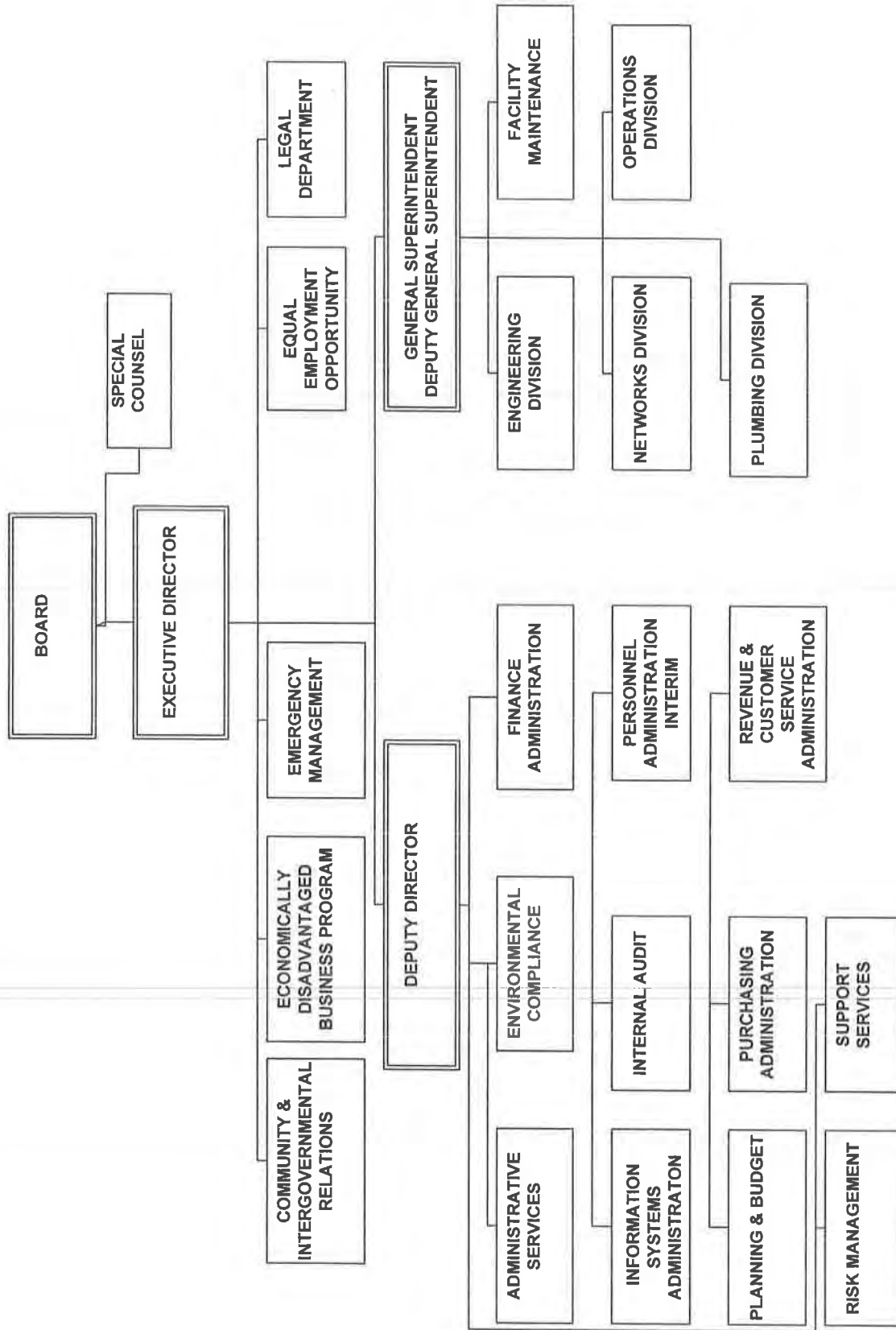
KRISTIN GISLESON PALMER HAROLD HELLER MARVIN RUSSELL	WILLIAM RAYMOND MANNING – Chairperson	GERALD TILTON CHARLES F. WEBB JOHN WILSON
--	---------------------------------------	---

PLUMBING COMMITTEE

JAY ARNOLD JOSEPH BECKER RONNIE CROSBY JIM FINLEY	GLEN PILIE – Chairperson	STACY HEAD MARK M. MOODY KRISTIN GISLEON PALMER BEVERLY WRIGHT, PhD
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MICHAEL CONEFRY & COMPANY, ACTUARY

SEWERAGE AND WATER BOARD ORGANIZATION CHART 2013



**THE SEWERAGE AND WATER BOARD OF NEW ORLEANS
DIVISION HEADS OF DEPUTY DIRECTOR**

December 31, 2013

**ROBERT K. MILLER
DEPUTY DIRECTOR**

ADMINISTRATIVE SERVICES
LYNN COBETTE

ENVIRONMENTAL COMPLIANCE
ANN WILSON

FINANCE ADMINISTRATION
ETHEL H. WILLIAMS

INFORMATION SYSTEMS ADMINISTRATION
MELINDA NELSON

INTERNAL AUDIT
RAYMOND GABLE

PERSONNEL ADMINISTRATION
AUDREY LEE (INTERIM)

PLANNING AND BUDGET
DEXTER JOSEPH

PURCHASING ADMINISTRATION
WILLIE M. MINGO, JR.

REVENUE AND CUSTOMER SERVICES ADMINISTRATION
JACQUELINE K. SHINE

RISK MANAGEMENT
JENNIFER MEDLEY

SUPPORT SERVICES
JOHN WILSON

**THE SEWERAGE AND WATER BOARD OF NEW ORLEANS
DIVISION HEADS OF GENERAL SUPERINTENDENT**

December 31, 2013

JOSEPH BECKER
GENERAL SUPERINTENDENT

MADELINE F. GODDARD
DEPUTY GENERAL SUPERINTENDENT

ENGINEERING DIVISION

MELVIN R. SPOONER

FACILITY MAINTENANCE DIVISION

GABE SIGNORELLI

NETWORKS DIVISION

RUDY AUGUST

OPERATIONS DIVISION

BOB MOEINIAN

PLUMBING DIVISION

JAMES J. ARNOLD

FINANCIAL SECTION



The purpose of the Southeast Louisiana (SELA) Drainage program is to reduce flood damages in the City of New Orleans and surrounding parishes. This is accomplished by constructing new pumping stations and better drainage canals throughout our city. The program was authorized in 1996 by the United States Congress and administered under a project cooperation agreement between the Sewerage and Water Board of New Orleans and the U. S. Army Corps of Engineers.

One such SELA improvement is the entire Florida Avenue Canal project which consists of widening the existing concrete flume channel section of the canal from Elysian Fields Avenue to Drainage Pump Station 19 on the Industrial Canal. In addition, modifications will be made to the existing drainage in the Peoples Triangle and along the south side of the Florida Avenue Canal to aid in getting more flow to this new canal. These modifications include the installation of sub-surface drainage, curb and gutter drainage, and pavement resurfacing along portions of Abundance, Treasure, Benefit, Deers, Eads, Painters, Montegut, and Desire streets. Due to a lack of federal funding for the SELA program, this project experienced delays. However, this project received post Katrina emergency funding and is underway.



Another SELA project consists of constructing approximately 2,800 linear feet of concrete box canal (usable areas of 18 by 10 ft and 14 by 8 ft. under the neutral ground along Napoleon Avenue, from Carondelet Street to Constance Street. The new canals will parallel an existing box canal and will connect to the canal to be constructed under the Napoleon Avenue Phase 2 contract at Carondelet Street and the existing box canal at Constance Street.

INDEPENDENT AUDITORS' REPORT

Members of the Board
Sewerage and Water Board of New Orleans

Report on the Financial Statements

We have audited the accompanying financial statements of the Sewerage and Water Board of New Orleans (the Board) as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Board, as of December 31, 2013 and 2012, and the changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 14 to the financial statements, the Board implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows and inflows of resources and also identifies certain items previously reported as assets and liabilities that the GASB determined should be recognized as revenues or expenses when incurred and not reported in the statements of net position. Our opinions are not modified with respect to this matter.

Correction of Error

As described in Note 14 to the financial statements, an error resulting in an overstatement of the amount previously reported for the Disaster Reimbursement Revolving Loan as of December 31, 2012, was discovered by management of the Board during the current year. Accordingly, amounts reported for the Disaster Reimbursement Revolving Loan and capital contributions revenue have been restated in the 2012 financial statements now presented, and an adjustment has been made to net position as of December 31, 2012, to correct the error. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages II-4 through II-16 and the schedules of funding progress presented on pages II-63 and II-64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The Introductory section, Schedules 1 through 6, the Statistical Information section, and Supplementary Information section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedules 1 through 6 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The Statistical Information and Supplementary Information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2014, on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.



New Orleans, Louisiana
April 22, 2014

SEWERAGE & WATER BOARD OF NEW ORLEANS

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED DECEMBER 31, 2013

This section of the Sewerage & Water Board of New Orleans' (the Board) annual financial report presents a discussion and analysis of the Board's financial performance during the fiscal year that ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal. The Board's financial statements follow this section.

FINANCIAL HIGHLIGHTS

The Board adopted a financial plan for 2011 through 2020 that is anticipated to result in improved debt service coverage, increased liquidity, increased funding for operations and maintenance, and full funding for the capital improvement program.

Recovery from Hurricane Katrina and the resulting flooding continued to be significant event during 2013. Repairs to water, sewerage, and drainage systems, building repairs, and vehicle and equipment replacements continued throughout 2013. Management anticipates this recovery work to continue through 2025.

Enterprise Fund

- The major highlights in the Board's enterprise fund were as follows:

2013

- The Board's additions to its major systems approximated \$183.0 million.
- The Southeast Louisiana (SELA) project which is a major upgrade to the drainage system by the Corps of Engineers resulted in additions of approximately \$52.7 million to work in progress during the year.
- Federal Emergency Management Agency (FEMA) Disaster Public Assistance grants expended totaled approximately \$60.7 million, of which approximately \$58.9 million were capital contributions and approximately \$1.8 million were for operating and maintenance expenses.

2012

- The Board's additions to its major systems approximated \$193.4 million.
- The Southeast Louisiana (SELA) project which is a major upgrade to the drainage system by the Corps of Engineers resulted in additions of approximately \$69.4 million to work in progress during the year.
- Federal Emergency Management Agency (FEMA) Disaster Public Assistance grants expended totaled approximately \$51 million, of which approximately \$42.5 million were capital contributions and approximately \$8.5 million were for operating and maintenance expenses.

Pension Trust Fund

2013

The major highlight in the Board's pension trust fund was the financial performance in the stock market. The appreciation of the fair value of investments was \$21.4 million compared to \$20.6 million in 2012. The plan net position available for benefits had a net increase of \$13.2 million to \$209.9 million in 2012.

2012

The major highlight in the Board's pension trust fund was the financial performance in the stock market as compared to 2011. The appreciation of the fair value of investments was \$20.6 million compared to \$7.7 million in 2011. The plan net position available for benefits had a net increase of \$12.9 million to \$209.9 million in 2012.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of five parts: management's discussion and analysis (this section), the financial statements, the notes to the financial statements, required supplementary information, and other supplementary information.

Government-wide Financial Statements – Enterprise Fund

The Board's principal activities of providing water, sewerage, and drainages services are accounted for in a single proprietary fund – the enterprise fund. Enterprise funds are used to report business activities. Since the enterprise fund is the Board's single activity, its financial statements are presented as the Board's government-wide financial statements.

The financial statements provide both long-term and short-term information about the Board's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information and other supplementary information that further explain and support the information in the financial statements.

The Board's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Position. All assets and liabilities associated with the operation of the Board are included in the Statements of Net Position.

The Statement of Net Position presents financial information on all of the Board's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

Fund Financial Statements – Pension Trust Fund

The Board's fund financial statements consist of its pension trust fund. As a fiduciary fund, the pension trust fund is held for the benefit of employees and retirees of the Board. The pension trust fund is not reflected in the government-wide financials because the resources are not available to the Board for its activities. The accounting for the pension trust fund is much like that used by the enterprise fund.

FINANCIAL ANALYSIS OF THE BOARD

ENTERPRISE FUND

2013 Net Position

The Board's total assets at December 31, 2013 were approximately \$2.3 billion, a 6.2% increase from December 31, 2012 (see Table A-1).

Table A-1				
Sewerage & Water Board of New Orleans				
Net Position				
	2013	2012	Increase (Decrease)	Increase (Decrease)
Current unrestricted assets	\$ 130,504,624	\$ 134,080,022	\$ (3,575,398)	-2.7%
Restricted assets	40,288,338	42,198,721	(1,910,383)	-4.5%
Property, plant and equipment - net	2,107,837,751	1,968,531,923	139,305,828	7.1%
Other assets	51,315	51,315	-	0.0%
Total assets	\$ 2,278,682,028	\$ 2,144,861,981	\$ 133,820,047	6.2%
Current liabilities	\$ 124,900,937	\$ 118,214,778	\$ 6,686,159	5.7%
Long-term liabilities	337,648,477	364,235,529	(26,587,052)	-7.3%
Total liabilities	462,549,414	482,450,307	(19,900,893)	-4.1%
Net position:				
Net investment in capital assets	1,919,436,757	1,762,070,381	157,366,376	8.9%
Restricted	33,405,265	35,186,883	(1,781,618)	-5.1%
Unrestricted	(136,709,408)	(134,845,590)	(1,863,818)	1.4%
Total net position	1,816,132,614	1,662,411,674	153,720,940	9.2%
Total liabilities and net position	\$ 2,278,682,028	\$ 2,144,861,981	\$ 133,820,047	6.2%

The net increase in total assets of \$133.8 million resulted primarily due to an increase in property, plant, and equipment of \$139.3 million and a decrease of \$3.6 million in current unrestricted assets. The decrease in current unrestricted assets was primarily due to an increase of \$21.7 million in unrestricted and undesignated cash and cash equivalents as a result of FEMA advancements received for payments of committed project costs, offset by a decrease in grants receivable of \$11.1 million due to more timely collections from the federal government and a decrease in cash designated by the Board for capital projects of \$15.8 million. Current liabilities increased by \$6.7 million primarily due to unspent advances received from the federal government of \$10.9 million received in 2013 and an increase in retainers and estimates payable of \$3.2 million offset by a decrease in the Disaster Reimbursement Revolving Loan of \$11.7 million as a result of loan payments made during 2013. Long-term liabilities decreased by \$26.0 million primarily due primarily to the forgiveness of principal and accrued interest on the Special Community Disaster loan totaling \$30.1 million and a decrease of \$18.8 million in long-term bonds payable offset by an increase of \$6.7 million in other postretirement benefits liability and an increase of \$15.7 million in the Southeast Louisiana Project liability.

2012 Net Position

The Board's total assets at December 31, 2012 were approximately \$2.0 billion, a 6.3% increase from December 31, 2011 (see Table A-2).

Table A-2				
Sewerage & Water Board of New Orleans				
Net Position				
	2012	2011	Increase (Decrease)	Increase (Decrease)
Current unrestricted assets	\$ 134,080,022	\$ 160,626,531	\$ (26,546,509)	-16.5%
Restricted assets	42,198,721	37,148,426	5,050,295	13.6%
Property, plant and equipment - net	1,968,531,923	1,819,352,046	149,179,877	8.2%
Other assets	51,315	51,315	-	0.0%
Total assets	\$ 2,144,861,981	\$ 2,017,178,318	\$ 127,683,663	6.3%
Current liabilities	\$ 118,214,778	\$ 131,071,404	\$ (12,856,626)	-9.8%
Long-term liabilities	364,235,529	348,127,496	16,108,033	4.6%
Total liabilities	482,450,307	479,198,900	3,251,407	0.7%
Net position:				
Net investment in capital assets	1,762,070,381	1,602,767,538	159,302,843	9.9%
Restricted	35,186,883	33,137,542	2,049,341	6.2%
Unrestricted	(134,845,590)	(97,925,662)	(36,919,928)	37.7%
Total net position	1,662,411,674	1,537,979,418	124,432,256	8.1%
Total liabilities and net position	\$ 2,144,861,981	\$ 2,017,178,318	\$ 127,683,663	6.3%

The net increase in total assets of \$127.7 million is primarily due to an increase in property, plant, and equipment of \$149.2 million, and an increase of \$5.0 million in restricted assets. The total decrease of \$26.5 million in current unrestricted assets was primarily due to a decrease of \$15.4 million in cash designated for capital projects. Current liabilities decreased by \$12.9 million primarily due to a decrease of \$5.0 million in borrowing from the State of Louisiana and a decrease of \$4.3 million in accounts payable and \$3.5 million in other liabilities. Long-term liabilities increased by \$16.1 million primarily due to an increase of \$14.2 million in SELA project payable, \$4.4 million interest accrual for Special Community Disaster loan, and an increase of \$7.3 million in other postretirement benefits liability, offset by a decrease of \$9.7 million in bonds payable.

2013 Changes in Net Position

The change in net position for the year ended December 31, 2012 was an increase of approximately \$153.8 million, as opposed to approximately \$124.4 million for the year ended December 31, 2012. The Board's total operating revenues increased by 8.6% to approximately \$148.7 million due primarily for rate increases effective January 1, 2013, and total non-operating revenue increased by 53.1% to approximately \$79.0 million due primarily to the forgiveness of the outstanding principal and interest due on the Special Community Disaster Loan in 2013 totaling \$30.1 million. The changes in net position are detailed in Table A-3; operating expenses are detailed in Table A-4.

Table A-3				
Sewerage & Water Board of New Orleans				
Revenues , Expenses and Change in Net Position				
	2013	2012	Increase (Decrease)	Increase (Decrease)
Operating revenues:				
Charges for services	\$ 143,577,430	\$ 132,351,945	\$ 11,225,485	8.5%
Other	5,119,368	4,626,276	493,092	10.7%
Total operating revenues	148,696,798	136,978,221	11,718,577	8.6%
Operating expenses (Table A-4)	188,341,071	178,705,276	9,635,795	5.4%
Operating loss	(39,644,273)	(41,727,055)	2,082,782	5.0%
Non-operating revenues:				
Property taxes	46,455,330	44,061,990	2,393,340	5.4%
Other taxes	494,106	278,394	215,712	77.5%
Operating and maintenance grants	2,054,492	7,624,526	(5,570,034)	-73.1%
Investment expense	(17,719)	(336,506)	318,787	-94.7%
Forgiveness of Community Disaster Loan	30,061,368	-	30,061,368	0.0%
Total non-operating revenues	79,047,577	51,628,404	27,419,173	53.1%
Income before capital contributions	39,403,304	9,901,349	29,501,955	298.0%
Capital contributions	114,317,636	114,530,907	(213,271)	-0.2%
Change in net position	153,720,940	124,432,256	29,288,684	23.5%
Net position, beginning of year	1,662,411,674	1,537,979,418	124,432,256	8.1%
Net position, end of year	\$ 1,816,132,614	\$ 1,662,411,674	\$ 153,720,940	9.2%

Capital contributions from federal grants and construction of Board property was approximately \$114.3 million resulting primarily from capital additions reimbursable under the FEMA Disaster Public Assistance grant of approximately \$60.7 million and approximately \$37.5 million of capital contributions by the Army Corps of Engineers. Operating and maintenance grants decreased in 2013 to \$2.1 million for operation and maintenance expenditures made during 2013 under the FEMA Disaster Public Assistance grant.

Table A-4				
Sewerage & Water Board				
Operating Expenses				
	2013	2012	Increase (Decrease)	Increase (Decrease)
Power and pumping	\$ 12,572,620	\$ 11,951,746	\$ 620,874	5.2%
Treatment	18,143,049	18,906,540	(763,491)	-4.0%
Transmission and distribution	23,323,900	26,019,713	(2,695,813)	-10.4%
Customer accounts	3,425,934	3,334,652	91,282	2.7%
Customer service	3,464,197	3,332,300	131,897	4.0%
Administration and general	17,333,945	15,879,736	1,454,209	9.2%
Payroll related	34,928,822	33,980,859	947,963	2.8%
Maintenance of general plant	27,647,127	24,480,560	3,166,567	12.9%
Depreciation	43,648,267	39,011,955	4,636,312	11.9%
Provision for doubtful accounts	2,052,096	1,676,511	375,585	22.4%
Provision for (benefit of) claims	1,801,114	130,704	1,670,410	1278.0%
Total operating expenses	\$ 188,341,071	\$ 178,705,276	\$ 9,635,795	5.4%

Total operating expenses increased by approximately \$9.6 million or 5.4% compared to 2012. In 2013, the Board placed several construction projects in service, which caused an increase of \$4.6 million or 11.9% in depreciation expenses. Provisions for claims increased to \$1.8 million in 2013 as compared to 2012. Claims expense varies due to the number and severity of the claims during any period. The increase is primarily due to adjustments in overall claims reserve at year-end in addition to claims payments made during 2013. Maintenance of general plant expenses increased by \$3.1 million or 12.8% due to ongoing repairs to plant facility and the intake filter gallery, and labor required to maintain the facility.

2012 Changes in Net Position

The change in net position for the year ended December 31, 2012 was an increase of approximately \$124.4 million, as opposed to an increase in net position of approximately \$106.3 million for the year ended December 31, 2011. The Board's total operating revenues decreased by 1.9% to approximately \$137.0 million, and total non-operating revenue increased by 1.8% to approximately \$51.6 million. The changes in net position are detailed in Table A-5; operating expenses are detailed in Table A-6.

Table A-5				
Sewerage & Water Board of New Orleans				
Revenues , Expenses and Change in Net Position				
	2012	2011	Increase (Decrease)	Increase (Decrease)
Operating revenues:				
Charges for services	\$ 132,351,945	\$ 131,006,460	\$ 1,345,485	1.0%
Other	4,626,276	8,581,123	(3,954,847)	-46.1%
Total operating revenues	136,978,221	139,587,583	(2,609,362)	-1.9%
Operating expenses (Table A-4)	178,705,276	170,821,777	7,883,499	4.6%
Operating loss	(41,727,055)	(31,234,194)	(10,492,861)	-33.6%
Non-operating revenues:				
Property taxes	44,061,990	39,232,254	4,829,736	12.3%
Other taxes	278,394	316,079	(37,685)	-11.9%
Operating and maintenance grants	7,624,526	11,479,664	(3,855,138)	-33.6%
Investment expense	(336,506)	(310,008)	(26,498)	8.5%
Total non-operating revenues	51,628,404	50,717,989	910,415	1.8%
Income before capital contributions	9,901,349	19,483,795	(9,582,446)	-49.2%
Capital contributions	114,530,907	86,769,206	27,761,701	32.0%
Change in net position	124,432,256	106,253,001	18,179,255	17.1%
Net position, beginning of year	1,537,979,418	1,431,726,417	106,253,001	7.4%
Net position, end of year	\$ 1,662,411,674	\$ 1,537,979,418	\$ 124,432,256	8.1%

Capital contributions from federal grants and construction of Board property was approximately \$114.5 million resulting primarily from capital additions reimbursable under the FEMA Disaster Public Assistance grant of approximately \$34 million and approximately \$52.5 million of capital contributions by the Army Corps of Engineers. Operating and maintenance grants decreased in 2012 to \$7.6 million for operation and maintenance expenditures made during 2012 under the FEMA Disaster Public Assistance grant.

Table A-6				
Sewerage & Water Board				
Operating Expenses				
	2012	2011	Increase (Decrease)	Increase (Decrease)
Power and pumping	\$ 11,951,746	\$ 11,787,614	\$ 164,132	1.4%
Treatment	18,906,540	18,081,523	825,017	4.6%
Transmission and distribution	26,019,713	27,216,035	(1,196,322)	-4.4%
Customer accounts	3,334,652	3,369,643	(34,991)	-1.0%
Customer service	3,332,300	3,320,100	12,200	0.4%
Administration and general	15,879,736	16,054,154	(174,418)	-1.1%
Payroll related	33,980,859	34,770,439	(789,580)	-2.3%
Maintenance of general plant	24,480,560	25,262,984	(782,424)	-3.1%
Depreciation	39,011,955	34,772,279	4,239,676	12.2%
Provision for doubtful accounts	1,676,511	867,460	809,051	93.3%
Provision for (benefit of) claims	130,704	(4,680,454)	4,811,158	-102.8%
Total operating expenses	\$ 178,705,276	\$ 170,821,777	\$ 7,883,499	4.6%

Total operating expenses increased by approximately \$7.9 million or 4.6% compared to 2011 primarily due to an increase in depreciation expenses. In 2012, the Board placed several construction projects in service, which caused an increase of \$4.2 million or 12.2% in depreciation expenses. Provisions for claims increased by \$4.8 million in 2012 as compared to 2011. Claims expense varies due to the number and severity of the claims during any period. The increase is primarily due to adjustments in overall claims reserve at year-end in addition to claims payments made during 2012.

PENSION TRUST FUND

2013 Plan Net Position

The Board's total plan net position of its pension trust fund at December 31, 2013 was approximately \$223.1 million, a 6.3% increase from December 31, 2012 (see table A-7). Total assets increased 6.2% to \$234.4 million.

Plan net position increased by approximately \$13.2 million in 2013 primarily due to unrealized gains on investments of \$21.4 million and contributions of \$8.4 million offset by benefit payments and other deductions totaling \$18.0 million in 2013.

Table A-7				
Sewerage & Water Board of New Orleans				
Plan Net Position				
	2013	2012	Increase (Decrease)	Increase (Decrease)
Cash	\$ 1,145,702	\$ 755,634	\$ 390,068	51.6%
Investments	232,097,196	218,299,235	13,797,961	6.3%
Receivables	128,169	81,122	47,047	58.0%
Other assets	987,498	1,568,064	(580,566)	-37.0%
Total assets	234,358,565	220,704,055	13,654,510	6.2%
DROP participant payable	11,272,538	10,830,705	441,833	4.1%
Total liabilities	11,272,538	10,830,705	441,833	-4.1%
Plan net position	\$ 223,086,027	\$ 209,873,350	\$ 13,212,677	6.3%

2012 Plan Net Position

The Board's total plan net position of its pension trust fund at December 31, 2012 was approximately \$209.9 million, a 6.5% increase from December 31, 2011 (see table A-8). Total assets increased 7.1% to \$220.7 million.

Plan net position increased by approximately \$12.9 million in 2012 primarily due to increased unrealized gains on investments of \$20.6 million in 2012 compared to \$7.7 million gain in 2011.

Table A-8				
Sewerage & Water Board of New Orleans				
Plan Net Position				
	2012	2011	Increase (Decrease)	Increase (Decrease)
Cash	\$ 755,634	\$ 1,493,734	\$ (738,100)	-49.4%
Investments	218,299,235	203,410,658	14,888,577	7.3%
Receivables	81,122	78,126	2,996	3.8%
Other assets	1,568,064	1,111,238	456,826	41.1%
Total assets	220,704,055	206,093,756	14,610,299	7.1%
DROP participant payable	10,830,705	9,121,044	1,709,661	18.7%
Total liabilities	10,830,705	9,121,044	1,709,661	-18.7%
Plan net position	\$ 209,873,350	\$ 196,972,712	\$ 12,900,638	6.5%

2013 Changes in Plan Net Position

Net income on investments increased by \$1.4 million or 6.4% during 2013 due to the positive performance of the investment portfolio in 2013 related to the higher value of investment in 2013 as compared to 2012. The increase in the change in plan net position of \$312,000 resulted primarily from an increase in unrealized gains on investments compared to 2012 offset by a decrease in contributions of approximately \$456,000 or 5.1% and an increase of \$675,000 or 5.4% in deductions compared to 2012.

Table A-9				
Sewerage & Water Board of New Orleans				
Change in Plan Net Position				
	2013	2012	Increase (Decrease)	Increase (Decrease)
Additions:				
Contributions	\$ 8,477,553	\$ 8,933,937	\$ (456,384)	-5.1%
Net income on investments	22,737,697	21,372,939	1,364,758	6.4%
Total additions	31,215,250	30,306,876	908,374	3.0%
Deductions:				
Benefits	(13,243,522)	(12,568,639)	(674,883)	5.4%
Employee refunds	(191,867)	(111,854)	(80,013)	71.5%
Employee DROP contributions	(4,567,184)	(4,725,745)	158,561	-3.4%
Total deductions	(18,002,573)	(17,406,238)	(596,335)	3.4%
Change in net position	13,212,677	12,900,638	312,039	2.4%
Plan net position, beginning of year	209,873,350	196,972,712	12,900,638	6.5%
Plan net position, end of year	\$ 223,086,027	\$ 209,873,350	\$ 13,212,677	6.3%

2012 Changes in Plan Net Position

Net income on investments increased by \$12.8 million or 25 times during 2012 due to increasing performance of the investment portfolio as compared to 2011. The increase in the change in plan net position of \$12.9 million resulted primarily from an increase in unrealized gains on investments compared to 2011 and an increase of \$1.4 million or 9.1% in deductions compared to 2011.

Table A-10				
Sewerage & Water Board of New Orleans				
Change in Plan Net Position				
	2012	2011	Increase (Decrease)	Increase (Decrease)
Additions:				
Contributions	\$ 8,933,937	\$ 7,832,200	\$ 1,101,737	14.1%
Net income on investments	21,372,939	8,599,418	12,773,521	148.5%
Total additions	30,306,876	16,431,618	13,875,258	84.4%
Deductions:				
Benefits	(12,568,639)	(11,712,037)	(856,602)	7.3%
Employee refunds	(111,854)	(185,810)	73,956	-39.8%
Employee DROP contributions	(4,725,745)	(4,049,243)	(676,502)	16.7%
Total deductions	(17,406,238)	(15,947,090)	(1,459,148)	9.1%
Change in net position	12,900,638	484,528	12,416,110	2562.5%
Plan net position, beginning of year	196,972,712	196,488,184	484,528	0.2%
Plan net position, end of year	\$ 209,873,350	\$ 196,972,712	\$ 12,900,638	6.5%

CAPITAL ASSET AND DEBT ADMINISTRATION

2013 Capital Assets

As of December 31, 2013, the Board had invested approximately \$2.89 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2013 totaled approximately \$2.11 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$139.9 million or 7.1% over December 31, 2012.

At December 31, 2013, the Board's budget for its ten year capital improvements program totaled approximately \$2.52 billion including \$836.5 million for water, \$601.0 million for sewerage and \$1.08 billion for drainage. Due to certain regulatory and legislative changes, additional capital improvements will probably be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures. As of December 31, 2013, the Board has committed or appropriated \$45.5 million in investments for use in future capital projects and has approximately \$190,000 of bond proceeds remaining for construction. The capital project investments are included in designated assets and restricted assets.

The capital improvements budget for 2013 was \$1.50 billion, including \$1.27 billion for projects which are expected to be funded by federal grants and programs. Significant projects included in property, plant and equipment in progress as of December 31, 2013 include the following:

Hurricane Katrina-related Repairs and Replacements
Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
Eastbank Sewer Treatment Plant
Westbank Sewer Treatment Plant
Wetlands Assimilation Project

See Note 4 for detailed capital asset activity during 2013.

2012 Capital Assets

As of December 31, 2012, the Board had invested approximately \$2.71 billion in capital assets. Net of accumulated depreciation, the Board's net capital assets at December 31, 2012 totaled approximately \$1.97 billion. This amount represents a net increase (including additions and disposals, net of depreciation) of approximately \$149.1 million or 8.2% over December 31, 2011.

At December 31, 2012, the Board's budget for its ten year capital improvements program totaled approximately \$3.64 billion including \$814.4 million for water, \$609.4 million for sewerage and \$2.22 billion for drainage. Due to certain regulatory and legislative changes, additional capital improvements will probably be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures. As of December 31, 2012, the Board has committed or appropriated \$61.3 million in investments for use in future capital projects and has approximately \$319,000 of bond proceeds remaining for construction. The capital project investments are included in designated assets and restricted assets.

See Note 4 for detailed capital asset activity during 2012.

2013 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds. During 2012, \$19.4 million in principal payments were made.

The Louisiana Department of Health and Hospitals has committed to loan the Board up to \$3.4 million to fund the installation of a new sodium hypochlorite storage and feed facility as well as the installation of a new sludge line into the Mississippi River (project). The outstanding balance is \$3,865 at December 31, 2013.

The Louisiana Department of Environmental Quality has committed to loan the Board up to \$9 million to fund construction of sewerage treatment works, implementing a management program under Section 1329 of the Water Quality Act of 1987, and developing and implementing a conservation and management plan under Section 1330 of the Federal Act. The outstanding balance is \$8,420,403 at December 31, 2013.

See Note 6 for detailed long term debt activity during 2013.

2012 Debt Administration

The Board continues to make its regularly scheduled payments on its bonds. During 2012, \$16.2 million in principal payments were made.

The Louisiana Department of Health and Hospitals has committed to loan the Board up to \$3.4 million to fund the installation of a new sodium hypochlorite storage and feed facility as well as the installation of a new sludge line into the Mississippi River (project). The outstanding balance is \$1,998,636 at December 31, 2012.

The Louisiana Department of Environmental Quality has committed to loan the Board up to \$9 million to fund construction of sewerage treatment works, implementing a management program under Section 1329 of the Water Quality Act of 1987, and developing and implementing a conservation and management plan under Section 1330 of the Federal Act. The outstanding balance is \$7,471,505 at December 31, 2012.

See Note 6 for detailed long term debt activity during 2012.

ECONOMIC FACTORS AND RATES

The Board, the City Council, and the Board of Liquidation City Debt approved rate increase of ten percent for the Water and Sewer Department effective January 1, 2013 and annually thereafter through 2020.

The Board also authorized a study to develop a drainage service charge amount and implementation methodology.

The total number of open accounts continues to increase modestly on an annual basis. The total open accounts in 2013, was 129,552, an increase by 1,550 over 2012, open accounts of 128,002.

CONTACTING THE BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Sewerage & Water Board of New Orleans at (504) 585-2356.

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BASIC FINANCIAL STATEMENTS

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF NET POSITION
December 31, 2013 and 2012

ASSETS	<u>2013</u>	<u>2012 (Restated)</u>
Noncurrent assets:		
Property, plant and equipment	\$ 2,891,420,305	\$ 2,711,454,277
Less: accumulated depreciation	<u>783,582,554</u>	<u>742,922,354</u>
Property, plant and equipment, net	<u>2,107,837,751</u>	<u>1,968,531,923</u>
Other assets:		
Deposits	<u>51,315</u>	<u>51,315</u>
Total other assets	<u>51,315</u>	<u>51,315</u>
Total noncurrent assets	<u>2,107,889,066</u>	<u>1,968,583,238</u>
Current assets:		
Unrestricted and undesignated		
Cash and cash equivalents	30,326,340	8,607,217
Accounts receivable:		
Customers, net of allowance	13,944,271	13,555,071
Taxes	8,119,202	7,732,452
Grants	11,841,893	22,988,323
Miscellaneous	3,517,548	2,637,158
Inventory of supplies	6,935,599	7,698,327
Prepaid expenses	<u>976,007</u>	<u>751,106</u>
Total unrestricted and undesignated	<u>75,660,860</u>	<u>63,969,654</u>
Designated cash, cash equivalents, and investments:		
Cash and cash equivalents designated for capital projects	41,099,522	56,877,979
Customer deposits	10,106,417	9,492,988
Other	<u>3,637,825</u>	<u>3,739,401</u>
Total designated cash, cash equivalents, and investments	<u>54,843,764</u>	<u>70,110,368</u>
Restricted cash, cash equivalents, and investments:		
Cash and cash equivalents restricted for capital projects	4,555,573	4,797,338
Debt service reserve	33,405,265	35,186,883
Health insurance reserve	<u>2,327,500</u>	<u>2,214,500</u>
Total restricted cash, cash equivalents, and investments	<u>40,288,338</u>	<u>42,198,721</u>
Total current assets	<u>170,792,962</u>	<u>176,278,743</u>
Total assets	<u>\$ 2,278,682,028</u>	<u>\$ 2,144,861,981</u>

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF NET POSITION
December 31, 2013 and 2012
(Continued)

NET POSITION AND LIABILITIES	<u>2013</u>	<u>2012 (Restated)</u>
Net position:		
Net investment in capital assets	\$ 1,919,436,757	\$ 1,762,070,381
Restricted for debt service	33,405,265	35,186,883
Unrestricted	<u>(136,709,408)</u>	<u>(134,845,590)</u>
Total net position	<u>1,816,132,614</u>	<u>1,662,411,674</u>
Long-term liabilities:		
Claims payable	1,913,607	2,234,075
Net pension obligation	15,430,336	11,123,890
Other postretirement benefits liability	54,778,434	48,072,203
Bonds payable, net of current maturities	170,255,994	189,079,542
Special Community Disaster loan payable	-	29,576,512
Southeast Louisiana Project liability	29,391,071	14,231,768
Debt Service Assistance Fund loan payable, net of current maturities	<u>65,879,035</u>	<u>69,917,539</u>
Total long-term liabilities	<u>337,648,477</u>	<u>364,235,529</u>
Current liabilities (payable from current unrestricted assets):		
Accounts payable	37,622,061	36,268,903
Due to City of New Orleans	160,122	160,093
Disaster Reimbursement Revolving Loan (Note 13)	11,693,325	21,708,578
Retainers and estimates payable	6,548,281	3,433,349
Due to pension trust fund	278,639	78,013
Accrued salaries	1,750,469	1,799,861
Accrued vacation and sick pay	9,806,913	9,803,436
Claims payable	11,000,794	10,977,109
Debt Service Assistance Fund loan payable	4,038,502	3,859,428
Advances from federal government	10,887,732	-
Other liabilities	<u>28,108</u>	<u>143,131</u>
Total current liabilities (payable from current unrestricted assets):	<u>93,814,946</u>	<u>88,231,901</u>
Current liabilities (payable from current restricted assets):		
Accrued interest	2,243,581	2,395,406
Bonds payable	18,145,000	17,382,000
Retainers and estimates payable	590,993	712,483
Customer deposits	<u>10,106,417</u>	<u>9,492,988</u>
Total current liabilities (payable from current restricted assets):	<u>31,085,991</u>	<u>29,982,877</u>
Total current liabilities	<u>124,900,937</u>	<u>118,214,778</u>
Total liabilities	<u>462,549,414</u>	<u>482,450,307</u>
Total net position and liabilities	<u>\$ 2,278,682,028</u>	<u>\$ 2,144,861,981</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012 (Restated)</u>
Operating revenues:		
Sales of water and delinquent fees	\$ 64,398,609	\$ 60,256,304
Sewerage service charges	78,535,785	71,407,835
Plumbing inspection and license fees	643,036	687,806
Other revenue	5,119,368	4,626,276
	<u>148,696,798</u>	<u>136,978,221</u>
Total operating revenues		
Operating expenses:		
Power and pumping	12,572,620	11,951,746
Treatment	18,143,049	18,906,540
Transmission and distribution	23,323,900	26,019,713
Customer accounts	3,425,934	3,334,652
Customer service	3,464,197	3,332,300
Administration and general	17,333,945	15,879,736
Payroll related	34,928,822	33,980,859
Maintenance of general plant	27,647,127	24,480,560
Depreciation	43,648,267	39,011,955
Provision for doubtful accounts	2,052,096	1,676,511
Provision for (benefit of) claims	1,801,114	130,704
	<u>188,341,071</u>	<u>178,705,276</u>
Total operating expenses		
Operating loss	<u>(39,644,273)</u>	<u>(41,727,055)</u>
Non-operating revenues (expenses):		
Three-mill tax	13,175,711	12,497,723
Six-mill tax	13,317,505	12,630,977
Nine-mill tax	19,962,114	18,933,290
Other taxes	494,106	278,394
Operating and maintenance grants	2,054,492	7,624,526
Interest income	353,630	401,387
Interest expense	(371,349)	(737,893)
Forgiveness of Community Disaster Loan (Note 6)	30,061,368	-
	<u>79,047,577</u>	<u>51,628,404</u>
Total non-operating revenues		
Income before capital contributions	39,403,304	9,901,349
Capital contributions	114,317,636	114,530,907
Change in net position	153,720,940	124,432,256
Net position, beginning of year (restated, Note 14)	<u>1,662,411,674</u>	<u>1,537,979,418</u>
Net position, end of year	<u>\$ 1,816,132,614</u>	<u>\$ 1,662,411,674</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF CASH FLOWS
ENTERPRISE FUND

For the years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012 (Restated)</u>
Cash flows from operating activities		
Cash received from customers	\$ 141,106,556	\$ 129,604,820
Cash payments to suppliers for goods and services	(68,748,901)	(63,842,090)
Cash payments to employees for services	(64,830,644)	(64,800,112)
Other revenue	4,882,014	5,384,969
Net cash provided by operating activities	<u>12,409,025</u>	<u>6,347,587</u>
Cash flows from noncapital financing activities		
Proceeds from property taxes	46,562,686	43,503,164
Proceeds from federal operating and maintenance grants	4,189,318	5,040,113
Net cash provided by noncapital financing activities	<u>50,752,004</u>	<u>48,543,277</u>
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets	(111,163,921)	(113,016,485)
Principal payments on bonds payable	(19,358,003)	(16,175,000)
Proceeds from bonds payable	1,432,130	7,957,932
Principal payments on Debt Service Assistance Fund loan	(3,859,430)	(3,688,280)
Interest paid on bonds payable	(12,588,862)	(14,451,884)
Payments to construction fund (Note 13)	(39,175,928)	(44,129,351)
Proceeds from construction fund (Note 13)	41,965,831	61,255,324
Capital contributed by developers and federal grants	83,907,507	47,636,565
Net cash used in capital and related financing activities	<u>(58,840,676)</u>	<u>(74,611,179)</u>
Cash flows from investing activities		
Proceeds from sales of investments	115,278	-
Investment income	221,783	259,448
Net cash provided by investing activities	<u>337,061</u>	<u>259,448</u>
Net increase (decrease) in cash	4,657,414	(19,460,867)
Cash at the beginning of the year	<u>114,909,304</u>	<u>134,370,171</u>
Cash at the end of the year	<u>\$ 119,566,718</u>	<u>\$ 114,909,304</u>
Reconciliation of cash, designated cash, and restricted cash (Note 2)		
Current assets - cash	\$ 30,326,340	\$ 8,607,217
Designated assets - cash	51,593,764	66,860,368
Restricted assets -cash	37,646,614	39,441,719
Total cash	<u>\$ 119,566,718</u>	<u>\$ 114,909,304</u>

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF CASH FLOWS
ENTERPRISE FUND
For the years ended December 31, 2013 and 2012
(Continued)

	<u>2013</u>	<u>2012 (Restated)</u>
Reconciliation of operating loss to net cash provided by operating activities is as follows:		
Operating loss	\$ (39,644,273)	\$ (41,727,055)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Depreciation	43,648,267	39,011,955
Provision for claims	1,801,114	130,704
Provision for doubtful accounts	2,052,096	1,676,511
Change in operating assets and liabilities:		
Increase in customer receivables	(2,441,296)	(2,755,799)
Decrease in inventory	762,728	325,790
(Increase) decrease in prepaid expenses and other receivables	(1,105,291)	41,431
Increase in net pension obligation	4,306,446	2,235,558
Increase (decrease) in accounts payable	(2,347,269)	1,209,768
Increase in accrued salaries, due to pension and accrued vacation and sick pay	154,711	32,996
Increase in customer deposits	613,429	643,829
Increase in net other postretirement benefits liability	6,706,231	7,290,249
Decrease in other liabilities	(2,097,868)	(1,768,350)
Net cash provided by operating activities	<u>\$ 12,409,025</u>	<u>\$ 6,347,587</u>
Schedule of non-cash capital and related financing activities		
Contributions of capital assets	<u>\$ 30,410,129</u>	<u>\$ 66,894,342</u>
Purchase of property, plant and equipment on account	<u>\$ 26,781,219</u>	<u>\$ 23,080,792</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF PLAN NET POSITION
PENSION TRUST FUND
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets:		
Cash	\$ 1,145,702	\$ 755,634
Receivables:		
Investment income	73,525	68,850
Employee contributions receivable	54,644	12,272
Due from other fund	987,498	1,568,064
Investments:		
Money market	2,383,876	1,242,693
LAMP	13,327,265	12,200,194
Debt securities	72,940,474	74,182,056
Hedge funds	20,511,668	18,459,666
Equities	<u>122,933,913</u>	<u>112,214,626</u>
Total assets	<u>234,358,565</u>	<u>220,704,055</u>
Liabilities:		
DROP participants payable	<u>11,272,538</u>	<u>10,830,705</u>
Total liabilities	<u>11,272,538</u>	<u>10,830,705</u>
Net position - restricted for pension benefits	<u>\$ 223,086,027</u>	<u>\$ 209,873,350</u>

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
STATEMENTS OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUND
For the years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Additions:		
Contributions:		
Employee contributions	\$ 1,465,774	\$ 1,128,257
Employer contributions	5,946,614	6,114,997
City annuity and other transfers in	1,065,165	1,690,683
Total contributions	<u>8,477,553</u>	<u>8,933,937</u>
Investment income:		
Interest income	165,614	181,330
Dividend income	2,049,463	1,532,810
Net appreciation	21,386,511	20,573,176
	<u>23,601,588</u>	<u>22,287,316</u>
Less: investment expense	<u>863,891</u>	<u>914,377</u>
Net investment income	<u>22,737,697</u>	<u>21,372,939</u>
Total additions	<u>31,215,250</u>	<u>30,306,876</u>
Deductions:		
Benefits	(13,243,522)	(12,568,639)
Employee refunds	(191,867)	(111,854)
Employee contributions to DROP	(4,567,184)	(4,725,745)
Total deductions	<u>(18,002,573)</u>	<u>(17,406,238)</u>
Change in net position	13,212,677	12,900,638
Net position restricted for pension benefits at beginning of year	<u>209,873,350</u>	<u>196,972,712</u>
Net position restricted for pension benefits at end of year	<u>\$ 223,086,027</u>	<u>\$ 209,873,350</u>

See accompanying notes to financial statements.

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**NOTES TO
BASIC FINANCIAL STATEMENTS**

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SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

History and Organization

The major operation of the Sewerage and Water Board of New Orleans (the Board) is providing water, sewerage and drainage services for the City of New Orleans (the City). The Sewerage and Water Board of New Orleans was created by Act 6 of the Louisiana Legislature of 1899 as a special board independent of the City's government to construct, maintain and operate a water treatment and distribution system and a public sanitary sewerage system for the City. In 1903, the Legislature gave the Board control of and responsibility for the City's major drainage system and relieved the City of the duty of providing in its annual operating budget or otherwise for the maintenance and operations of the water, sewerage and drainage systems.

In accordance with the Louisiana Revised Statutes (LRS) 33:4096 and 4121, the Board has the authority to establish the water and sewerage rates to charge to its customers. The rates are based on the actual water consumed and on the costs of maintenance and operation of the water and sewerage systems, including the costs of improvements and replacements. The collections of water and sewerage revenues are to be used by the Board for the maintenance and operation of the systems, the cost of improvements, betterments, and replacements and to provide for the payments of interest and principal on the bonds payable. On November 14, 2012, the Board approved both sewer and water rate increases commencing January 1, 2013. The sewer and water rates increase approximately 10% each year until the year of 2020. This increase was approved by the New Orleans City Council on November 14, 2012.

The Board has also been given the authority to levy and collect various tax millages which are used for the operation and maintenance of the drainage operations. All excess revenues collected are made available for capital development of the system. The proceeds of the rate collections and tax millages are invested in such investments as authorized by the LRS. These investments are reflected in the combined statement of net position, as "restricted assets," as they are restricted to the purposes as described above.

The Board is composed of thirteen members, including the Mayor of the City, three City Council members, at least one an at-large member, selected by the City Council, two members of the Board of Liquidation and seven citizens appointed by the Mayor. The appointed members of the Board serve staggered nine year terms. Effective January 1, 2014, the Board's makeup is changed to eleven members including the Mayor of the City as the President of the Board, two members of the Board of Liquidation, City Debt and eight citizens, as designated by the State Statutes. The initial terms of office shall be staggered from one year to four years, as designated by State Statues.

The Board's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to utilities and to governmental units. The following is a summary of the more significant policies.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(1) Summary of Significant Accounting Policies (continued)

(A) Reporting Entity (continued)

In conformity with the Governmental Accounting Standards Board's definition of a reporting entity, the Board includes an enterprise fund and a pension trust fund for financial reporting purposes. The Board is considered a reporting entity based on the following criteria:

- (a) Responsibility for surpluses/deficits. The Board is solely responsible for its surpluses/deficits. In accordance with Louisiana Revised Statutes, no other governmental unit is responsible for the Board's deficits or has a claim to its surpluses. The Board's operations are self-sustaining; revenues are generated through charges to customers and dedicated property taxes. Other than grants, no funding is received from the State of Louisiana or the City of New Orleans.
- (b) Budget Approval. The Board is solely responsible for reviewing, approving and revising its budget.
- (c) Responsibility for Debt. The Louisiana Revised Statutes authorize the Board to issue bonds; such bonds must bear on their face a statement that they do not constitute a debt of the City. The Board is solely responsible for payments to the bondholders. No other governmental unit is required by statute to make any payments to bondholders nor have any payments to bondholders ever been made by any governmental unit, except the Board.
- (d) Designation of Management. The Board controls the hiring of management and employees.
- (e) Special Financial Relationship. The Board has no special financial relationships with any other governmental unit.
- (f) Statutory Authority. The Board's statutory authority was created by the State of Louisiana as an independent governmental unit. Only an amendment to the state statutes can change or abolish the Board's authority.

The Board is a stand-alone entity as defined by Governmental Accounting Standards Board Statement 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*. The Board is a legally-separate governmental organization that does not have a separately elected governing body and does not meet the definition of a component unit. As a result of a Louisiana Supreme Court decision on March 21, 1994, the Board was declared to be an autonomous or self-governing legal entity, legally independent of the City, State and other governments, created and organized pursuant to Louisiana Revised Statutes 33:4071 as a board, separate and independent of the governing authorities of the City and vested with autonomous or self governing authority. No other government can mandate actions of the Board nor impose specific financial burdens. The Board is fiscally independent to operate under its bond covenant and the provisions of Louisiana Revised Statute provisions.

The City of New Orleans includes the Board as a component unit in the City's financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

(B) Basis of Financial Statement Presentation

The Board's basic financial statements consist of the government-wide statements which include the proprietary fund (the enterprise fund) and the fund financial statements which includes the fiduciary fund (the pension trust fund).

The operations of the Board are accounted for in the following fund types:

Proprietary Fund Type

The proprietary fund is used to account for the Board's ongoing operations and activities which are similar to those often found in the private sector. The proprietary fund is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Net position are segregated into amounts invested in capital assets (net of related debt), restricted for debt service, restricted for capital projects and unrestricted. The Board's restricted assets are expendable for their purposes. The Board utilizes available unrestricted assets before utilizing restricted assets. The operating statements present increases (revenues) and decreases (expenses) in net position. The Board maintains one proprietary fund type – the enterprise fund. The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance. The presentation of the financial statements of the enterprise fund follows the format recommended by the National Association of Regulatory Utility Commissioners (NARUC).

The statement of net position arrangement for a utility reflects the relative importance of the various accounts. "Property, plant and equipment" is the first major category on the asset side, and long-term capitalization categories of net position are listed first on the liability side. Current assets and current liabilities are assigned a relatively less important position in the center of the statement of net position, rather than being placed first as in the statement of net position of commercial and industrial enterprises.

Operating revenues include all charges for service; other revenues include reconnection fees and other miscellaneous charges. Operating expenses include the costs associated with providing water, sewerage and drainage services. Interest income, interest expense and tax revenues are presented as non-operating items.

The enterprise fund is presented in the government-wide financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS
(Continued)

(1) Summary of Significant Accounting Policies (continued)

(B) Basis of Financial Statement Presentation (continued)

Fiduciary Fund Type

The fiduciary fund is used to account for assets held by the Board in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The Board maintains one fiduciary fund type - the pension trust fund. The pension trust fund uses the flow of economic resources measurement focus. All assets and liabilities associated with the operation of this fund are included in the statement of plan net assets. The pension trust fund is used to account for the activity of the Board's employee retirement plan.

The pension trust fund is presented in the fund financial statements.

(C) Basis of Accounting

The enterprise fund and the pension trust fund prepare their financial statements on the accrual basis of accounting. Unbilled utility service charges are not recorded as management considers the effect of not recording such unbilled receivables as not material. Property taxes are recorded as revenue in the year for which they are levied. Plan member contributions are recognized in the period in which contributions are due. Employer contributions to the pension plan are recognized when due and the employer has made a commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

(D) Investments

Investments are reported at fair value, except for short-term investments (maturity of one year or less) which are reported at amortized cost, which approximates fair value. Securities traded in a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. All investment income including changes in the fair value of the investments is recognized in the Statements of Revenues, Expenses, and Changes in Net Position.

(E) Inventory of Supplies

Inventory is valued at the lower of cost or market. Cost is determined by weighted average cost method.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(1) Summary of Significant Accounting Policies (continued)

(F) Vacation and Sick Pay

Vacation (annual leave) and sick pay (sick leave) are accrued when earned. Annual leave is accrued at the rate of .6923 of a workday for each bi-weekly accrual period for all employees on the payroll as of December 31, 1978. Employees hired after that date earn leave at a rate of .5 of a workday per bi-weekly pay period.

All employees on the payroll as of December 31, 1978 receive three bonus days each year; all employees hired after that date receive three bonus days each year for five through nine calendar years of continuous service; six bonus days each year for ten through fourteen years; nine bonus days each year for fifteen through nineteen years; and, twelve days for twenty or more years of continuous service. Civil Service's policy permits employees a limited amount of earned but unused annual leave which will be paid to employees upon separation from the Board. The amount shall not exceed ninety days for employees hired before January 1, 1979, and forty-five days for employees hired after December 31, 1978.

Sick leave is accumulated on a bi-weekly basis by all employees hired prior to December 31, 1978 at an accrual rate of .923 of a workday. For employees hired subsequent to December 31, 1978, the accrual rate is .5 of a workday for each bi-weekly period, plus a two day bonus each year for employees with six through fifteen calendar years of continuous service, and seven bonus days each year for employees with sixteen or more calendar years of continuous service.

Upon separation from the Board, an employee can elect to convert unused sick leave for retirement credits or cash. The conversion to cash is determined by a rate ranging from one day of pay for five days of leave for the 1st through 100th leave day to one day of pay for one day of leave for all days in excess of the 400th leave day. The total liability for unconverted sick leave as of December 31, 2013 and 2012 is approximately \$13,764,000 and \$13,513,000, respectively. The amount included in the statements of net position as of December 31, 2013 and 2012 is \$9,806,913 and \$9,803,436, respectively, which represents the annual leave and the converted sick leave since virtually all employees convert their sick leave to cash. Therefore, the Board books the compensated absences as a current liability. The amounts for compensated absences include the salary cost as well as certain salary related costs, such as the Board's share of social security expense. The following table summarizes changes in the Board's vacation and sick pay liability.

Year	Beginning of Year Liability	Current Year Earned and Changes in Estimate	Payments	End of Year Liability
2013	\$ 9,803,436	\$ 3,262,185	\$ (3,258,708)	\$ 9,806,913
2012	\$ 10,265,830	\$ 2,757,637	\$ (3,220,031)	\$ 9,803,436

(G) Property, Plant and Equipment

Property, plant and equipment are carried at historical cost. The Board capitalizes moveable equipment with a value of \$10,000 or greater, stationary, network and other equipment with a value of \$5,000 or greater and all real estate. The cost of additions includes contracted work, direct labor, materials and allocable cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

(G) Property, Plant and Equipment (continued)

Interest is capitalized on property, plant and equipment acquired and/or constructed with tax exempt debt. Depreciation is computed using the straight-line method over the estimated useful life of the asset. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in revenue for the period. The cost of maintenance and repairs is charged to operations as incurred and significant renewals and betterments are capitalized. Deductions are made for retirements resulting from renewals or betterments.

(H) Self-Insurance/Risk Management

The Board is self-insured for general liability, workers' compensation, unemployment compensation and hospitalization benefits and claims. The accrued liability for the various types of claims represents an estimate by management of the eventual loss on the claims arising prior to year-end, including claims incurred and not yet reported including estimates of both future payments of losses and related claims adjustment and expense. Estimated expenses and recoveries are based on a case by case review.

(I) Bond Issuance Costs and Refinancing Gains (Losses)

Costs related to issuing bonds are expensed when incurred. Premiums and discounts associated with bond issues are amortized over the interest yield method.

(J) Deferred Inflows/Outflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Board does not have any items recognized as deferred outflows of resources as of December 31, 2013 and 2012.

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board does not have any items recognized as deferred inflows of resources as of December 31, 2013 and 2012.

(K) Pension

The Board may fund all or part of the accrued pension cost, depending on the resources that are available at the time of contribution, for its contributory pension plan which covers substantially all employees. Annual costs are actuarially computed using the entry age normal cost method.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

(L) Drainage System

In 1903, the Legislature gave the Board control of and responsibility for the City's drainage system. The Drainage System was established as a department of the enterprise fund to account for the revenues from three-mill, six-mill and nine-mill ad valorem taxes designated exclusively for drainage services. These revenues have been supplemented by inspection and license fees collected by the Board. There exists a potential for additional financing by additional user service charges. Expenditures from the system are for the debt service of three-mill, six-mill and nine-mill tax bonds and drainage related operation, maintenance and construction.

(M) Capital Contributions

Contributions from developers and others, and receipts of Federal, State and City grants for acquisition of property, plant and equipment are recorded as capital contributions in the statement of revenues, expenses and changes in net position.

(N) Net Position Flow Assumption

Sometimes the Board will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Board's policy to consider restricted net position to have been depleted before unrestricted-net position is applied.

(O) Net Position

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in this component of net position. Rather, that portion of debt is included in the same component of net position as the unspent proceeds.

Restricted – This component reports those net position with externally imposed constraints placed on their use by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – Unrestricted net position is the balance (deficit) of all other elements in a statement of net position remaining after net investment in capital assets and restricted net position.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(1) Summary of Significant Accounting Policies (continued)

(P) Cash Flows

For purposes of the statement of cash flows, only cash on hand and on deposit at financial institutions is considered to be cash equivalents. Certificates of deposits, treasury bills and other securities are considered investments.

(Q) Operating and Nonoperating Revenues

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with principal ongoing operations. The principal operating revenues of the Board are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(R) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenditures during the period. Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

(S) Reclassifications

Cash and investment balances in the 2012 financial statements have been reclassified to conform to the current year presentation.

(2) Cash and Investments

The Board's investments and cash consist primarily of investments in direct obligations of the United States or agencies thereof and deposits with financial institutions.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Statutes require that the Board's cash and certificates of deposit be covered by federal depository insurance or collateral. At December 31, 2013, the Board's interest bearing deposits with banks consisted of cash and money market funds totaling \$122,650,709 and certificates of deposit of \$273,070. At December 31, 2012, the Board's interest bearing deposits with banks consisted of cash and money market funds totaling \$122,354,886 and certificates of deposit of \$272,792. The Board's cash bank balances and all certificates of deposit for 2013 and 2012 were covered by federal depository insurance or collateral held by custodial agents of the financial institutions in the name of the Board.

In accordance with GASB 40, unless there is information to the contrary, obligations of the U.S. Government are not considered to have credit risk and do not require disclosure of credit quality.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(2) Cash and Investments (continued)

The following are the components of the Board's cash and investments as of December 31 for the Enterprise Fund:

<u>2013</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Enterprise Fund:			
Cash and money market funds	\$ 81,647,034	\$ 37,646,614	\$ 119,293,648
Certificates of deposit	273,070	-	273,070
	<u>81,920,104</u>	<u>37,646,614</u>	<u>119,566,718</u>
Investments	3,250,000	2,641,724	5,891,724
Total cash and investments at fair value	<u>\$ 85,170,104</u>	<u>\$ 40,288,338</u>	<u>\$ 125,458,442</u>

<u>2012</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Enterprise Fund:			
Cash and money market funds	\$ 75,194,793	\$ 39,441,719	\$ 114,636,512
Certificates of deposit	272,792	-	272,792
	<u>75,467,585</u>	<u>39,441,719</u>	<u>114,909,304</u>
Investments	3,250,000	2,757,002	6,007,002
Total cash and investments at fair value	<u>\$ 78,717,585</u>	<u>\$ 42,198,721</u>	<u>\$ 120,916,306</u>

The composition and carrying value of investments is as follows:

	<u>2013</u>	<u>2012</u>
Enterprise Fund:		
LAMP	\$ 5,891,724	\$ 6,007,002
Pension Trust Fund:		
Money market	\$ 2,383,876	\$ 1,242,693
LAMP	13,327,265	12,200,194
Debt Securities	72,940,474	74,182,056
Hedge funds	20,511,668	18,459,666
Equities	<u>122,933,913</u>	<u>112,214,626</u>
	<u>\$ 232,097,196</u>	<u>\$ 218,299,235</u>

Investments - Statutes authorize the Board to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poors Corporation or P-1 by Moody's Commercial Paper Record, repurchase agreements, and the Louisiana Asset Management Pool (LAMP). In addition, the pension trust fund is authorized to invest in corporate bonds rated BBB or better by Standard & Poors Corporation or Baa or better by Moody's Investors Service, and equity securities.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(2) Cash and Investments (continued)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana R.S. 33:2955.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7 like investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 60 as of December 31, 2013.
- Foreign currency risk: Not applicable to 2a7-like pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Under the provisions of its benefit plan and state law, the Board's pension benefit trust engages in securities lending to broker dealers and other entities for cash collateral that will be returned for the same securities in the future. The cash collateral cannot be liquidated by the Board unless the borrower defaults. Cash collateral is initially pledged at 102.75% of the market value of securities lent and additional collateral is provided by the next business day if the value falls to less than 100% of the market value of the securities lent. No collateral exposure existed at December 31, 2013 and 2012. The value of securities lent at December 31, 2013 and 2012 was \$52,255,686 and \$42,044,678, respectively. The market value of the cash collateral at December 31, 2013 and 2012 was \$53,692,957 and \$43,091,726, respectively.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(2) Cash and Investments (continued)

Credit Risk - State law limits investments in securities issued, or backed by United States Treasury obligations, and U.S. Government instrumentalities, which are federally sponsored. The Board's investment policy does not further limit its investment choices. LAMP is rated AAAM by Standard & Poor's. The Pension Trust Fund's investment policy requires that fixed income investments be investment grade (BBB or higher as rated by Standard & Poor's or Baa or higher as rated by Moody's). Bonds rated below BBB/Baa are not to exceed 15% of the portfolio and non-rated bonds are not to exceed 1% of the portfolio.

Following are the credit risk ratings of the pension trust fund's investments in debt securities as of December 31, 2013:

Rating	Corporate Bonds	Foreign Government Bonds	Government Bonds and U.S. Treasury Notes	Other	Total	Percentage of Total
AAA	\$ -	\$ 2,016,564	\$ 6,544,432	\$ 7,578,114	\$ 16,139,110	22.13%
AA+	376,754	6,673,148	28,235,518	-	35,285,420	48.38%
AA	27,365	186,663	-	-	214,028	0.29%
AA-	121,314	44,165	-	-	165,479	0.23%
A+	188,293	263,001	-	-	451,294	0.62%
A	1,162,795	-	-	-	1,162,795	1.59%
A-	3,179,116	17,082	-	-	3,196,198	4.38%
BBB+	2,640,648	221,782	-	-	2,862,430	3.92%
BBB	3,325,379	1,351,594	-	-	4,676,973	6.41%
BBB-	3,866,882	50,065	-	-	3,916,947	5.37%
BB+	803,854	99,569	-	-	903,423	1.24%
BB	780,366	56,752	-	-	837,118	1.15%
BB-	712,208	91,871	-	-	804,079	1.10%
B+	463,792	40,120	-	-	503,912	0.69%
B	445,530	-	-	-	445,530	0.61%
B-	313,821	156,040	-	-	469,861	0.64%
CCC+	405,635	3,987	-	-	409,622	0.56%
CCC	17,026	-	-	-	17,026	0.02%
CCC-	22,981	-	-	-	22,981	0.03%
Not Rated	297,863	158,385	-	-	456,248	0.63%
Total	\$ 19,151,622	\$ 11,430,788	\$ 34,779,950	\$ 7,578,114	\$ 72,940,474	100%

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(2) Cash and Investments (continued)

Following are the credit risk ratings of the pension trust fund's investments in debt securities as of December 31, 2012:

Rating	Corporate Bonds	Foreign Government Bonds	Government Bonds and U.S. Treasury Notes	Other	Total	Percentage of Total
AAA	\$ -	\$ 8,654,167	\$ 8,661,704	\$ 6,980,665	\$24,296,536	32.75%
AA+	214,951	-	26,608,679	-	26,823,630	36.16%
AA	-	5,657	3,218,609	-	3,224,266	4.35%
AA-	90,506	363,866	73,536	-	527,908	0.71%
A+	96,162	5,657	271,517	-	373,336	0.50%
A	769,299	373,336	452,529	-	1,595,164	2.15%
A-	2,211,733	412,932	514,751	-	3,139,416	4.23%
BBB+	1,680,012	-	260,204	-	1,940,216	2.62%
BBB	2,800,020	599,600	548,691	-	3,948,311	5.32%
BBB-	2,952,749	73,536	282,830	-	3,309,115	4.46%
BB+	599,600	164,042	73,536	-	837,178	1.13%
BB	418,589	124,445	130,102	-	673,136	0.91%
BB-	627,883	101,819	90,506	-	820,208	1.11%
B+	543,034	130,102	135,759	-	808,895	1.09%
B	412,932	73,536	45,253	-	531,721	0.72%
B-	152,728	50,909	62,223	-	265,860	0.36%
CCC+	186,668	-	45,253	-	231,921	0.31%
CCC	50,909	-	45,253	-	96,162	0.13%
CCC-	-	-	124,445	-	124,445	0.17%
CC	-	-	5,657	-	5,657	0.01%
C	-	-	-	-	-	0.00%
D	-	-	124,445	-	124,445	0.17%
Not Rated	322,430	158,385	-	3,715	484,530	0.65%
Total	<u>\$14,130,205</u>	<u>\$11,291,989</u>	<u>\$ 41,775,482</u>	<u>\$ 6,984,380</u>	<u>\$74,182,056</u>	<u>100%</u>

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Board has a formal investment policy that states that the investment portfolio shall remain sufficiently liquid to meet all operating and capital requirements that may be reasonably anticipated and that maturities of investments are to be structured concurrent with cash needs to meet anticipated demand.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(2) Cash and Investments (continued)

As of December 31, 2013, the pension trust fund had the following investments in debt securities and maturities:

Investment Type	Duration					Total
	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater Than 10 Years	Duration Not Available	
Corporate Bonds	\$ 938,373	\$ 8,855,540	\$ 6,107,850	\$ 2,655,538	\$ 594,321	\$ 19,151,622
Foreign Government Bonds	29,615	897,088	3,941,482	6,230,706	331,897	11,430,788
Government Bonds and U.S. Treasury Notes	629,103	17,031,754	10,673,838	2,297,929	4,147,326	34,779,950
Other	1,687,480	4,296,847	487,560	1,106,227	-	7,578,114
Total	<u>\$ 3,284,571</u>	<u>\$ 31,081,229</u>	<u>\$ 21,210,730</u>	<u>\$ 12,290,400</u>	<u>\$ 5,073,544</u>	<u>\$ 72,940,474</u>

As of December 31, 2012, the pension trust fund had the following investments in debt securities and maturities:

Investment Type	Duration					Total
	Less than 1 Year	1 - 5 Years	6 - 10 Years	Greater Than 10 Years	Duration Not Available	
Corporate Bonds	\$ 1,114,352	\$ 7,528,944	\$ 2,952,749	\$ 1,877,994	\$ 656,166	\$ 14,130,205
Foreign Government Bonds	559,388	567,138	3,326,619	6,369,346	469,498	11,291,989
Government Bonds and U.S. Treasury Notes	1,153,948	25,068,149	7,003,585	5,670,587	2,879,213	41,775,482
Other	1,073,226	-	-	-	5,911,154	6,984,380
Total	<u>\$ 3,900,914</u>	<u>\$ 33,164,231</u>	<u>\$ 13,282,953</u>	<u>\$ 13,917,927</u>	<u>\$ 9,916,031</u>	<u>\$ 74,182,056</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(3) Defined Benefit Pension Plan

The Board has a single-employer contributory retirement plan covering all full-time employees, the Pension Trust Fund (PTF). The Board's payroll for current employees covered by the PTF for the years ended December 31, 2013 and 2012 was \$29,706,715 and \$29,074,529, respectively; such amounts exclude overtime and standby payroll. Total payroll, including overtime and standby payroll, was \$47,025,321 and \$46,538,998 for the years ended December 31, 2013 and 2012, respectively. At December 31, the PTF membership consisted of:

	<u>2013</u>	<u>2012</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	840	834
Current employees:		
Vested	531	509
Non-vested	<u>340</u>	<u>333</u>
	<u>871</u>	<u>842</u>
Total	<u><u>1,711</u></u>	<u><u>1,676</u></u>

The benefit provisions were established by action of the Board in 1956 in accordance with Louisiana statutes. The Board retains exclusive control over the plan through the Pension Committee of the PTF. Effective January 1, 1996, the plan became qualified under Internal Revenue Code Section 401(a) and thus is tax exempt.

The plan provides for retirement benefits as well as death and disability benefits. All benefits vest after ten years of service. Employees who retire at or after age sixty-five with ten years of credited service are entitled to an annual retirement benefit, payable biweekly for life, in an amount equal to two percent of their average compensation for each year of credited service up to ten years, increasing by (1) one-half percent per year for service years over ten years, (2) an additional one-half percent per year for service years over twenty years and (3) an additional one percent per year for service years over thirty years, for a maximum of four percent for each year of credited service. Average compensation is the average annual earned compensation (prior to 2002, less \$1,200) for the period of thirty-six successive months of service during which the employee's compensation was the highest. Employees with thirty years or more of credited service may retire without a reduction in benefits. Employees may retire prior to age sixty-two without thirty years of service with a reduction in benefits of three percent for each year of age below the age of sixty-two. If an employee leaves covered employment or dies before three years of credited service, the accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

The retirement allowance for retirees over age sixty-two is subject to a cost of living adjustment each January 1, provided that the member retired on or after January 1, 1984. The adjustment is based on the increase in the Consumer Price Index for all urban wage earners published by the U.S. Department of Labor, but is limited to an annual maximum of two percent on the first \$10,000 of initial retirement benefits.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(3) Defined Benefit Pension Plan (continued)

Effective September 23, 1993, employers may transfer credit between the Board's plan and the City of New Orleans' retirement system with full credit for vested service. The Board and its employees are obligated under plan provisions to make all required contributions to the plan. The required contributions are actuarially determined. Level percentage of payroll employer contribution rates is determined using the entry age normal actuarial funding method. Employees are required to contribute four percent of their regular salaries or wages.

The annual required contribution for the current year was determined as part of the December 31, 2013 actuarial valuation using the entry age normal cost method. Under the entry age normal cost method, the normal cost of the plan is designed to be a level percentage of payroll, calculated on an aggregate basis, spread over the entire working lifetime of the participants. The future working lifetime is determined from each participant's hypothetical entry age into the plan assuming the plan had always been in existence, to his expected retirement date. The actuarial accrued liability is the amount of total liability not covered by future entry age normal costs. This amount is composed of the actuarial value of benefits already funded (assets) and those not yet funded (unfunded actuarial liability). The amortization basis for amortizing the remaining unfunded actuarial liability is a level dollar amortization for an open ten year amortization period effective on each valuation date. At December 31, 2013 and 2012, the actuarially computed pension liability was unfunded by \$62,379,320 and \$53,965,718, respectively. The actuarial assumptions included (a) 7.0% investment rate of return (net of administrative expenses) and (b) projected salary increase of 5.0% per year. Both (a) and (b) included an inflation component of 2.5%. The actuarial value of assets was determined using a seven-year weighted market average.

The Board's net pension activity for the years ended December 31 was as follows:

	2013	2012
Annual required contribution	\$ 11,086,546	\$ 9,127,658
Interest on net pension obligation	778,672	622,183
Adjustments to annual required contribution	<u>(1,535,141)</u>	<u>(1,226,625)</u>
Annual pension cost	10,330,077	8,523,216
Contributions made	<u>(6,023,631)</u>	<u>(6,287,658)</u>
Increase in net pension liability	4,306,446	2,235,558
Net pension liability, beginning of year	<u>11,123,890</u>	<u>8,888,332</u>
Net pension liability, end of year	\$ <u>15,430,336</u>	\$ <u>11,123,890</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(3) Defined Benefit Pension Plan (continued)

Trend information for Board and employee contributions is as follows:

	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension (Liability) Asset</u>
Fiscal year ending:			
December 31, 2013	\$ 10,330,077	58%	\$ (15,430,336)
December 31, 2012	\$ 8,523,216	74%	\$ (11,123,890)
December 31, 2011	\$ 9,477,215	59%	\$ (8,888,332)

The actuarially determined contribution requirement for the Board was 31.394% for 2013 and 2012. The contribution requirement for employees for the years ended December 31, 2013 and 2012 is 5.0% and 4.0%, respectively. The actual Board's and employees' contributions (including contributions for transferred employees from other pension plans) for the years ended December 31 were as follows:

	<u>2013</u>	<u>2012</u>
Employer and other transfers	\$ 7,011,779	\$ 7,805,680
Employee	1,465,774	1,128,257
Total contributions	<u>\$ 8,477,553</u>	<u>\$ 8,933,937</u>

Funded Status and Funding Progress

The funded status of the Plan as of December 31, 2013 and 2012, respectively, is based on the most recent actuarial valuation as follows:

<u>Valuation Date</u>	<u>Actuarial Valuation of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
2013	\$226,423,894	\$288,803,214	\$ 62,379,320	78.40%	\$ 29,706,715	209.98%
2012	\$229,633,410	\$283,599,128	\$ 53,965,718	80.97%	\$ 29,074,529	185.61%

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(3) Defined Benefit Pension Plan (continued)

DROP

Beginning in 1996, the Board offered employees a "Deferred Retirement Option Plan" (DROP), an optional retirement program which allows an employee to elect to freeze his or her retirement benefits, but continue to work and draw a salary for a minimum period of one year to a maximum period of five years. While continuing employment, the retirement benefits are segregated from overall plan assets available to other participants. As of December 31, 2013 and 2012, 134 and 135 employees, respectively, participated in the plan. The amount of plan assets segregated for these individuals was \$13,327,265 and \$12,200,194 as of December 31, 2013 and 2012, respectively.

A separate report on the pension trust fund is not issued.

(4) Property, Plant and Equipment

The useful lives of property, plant and equipment consisted of the following:

Power and pumping stations - buildings	57 years
Power and pumping stations - machinery	40 years
Distribution systems	75 years
Sewerage collection	75 years
Canals and subsurface drains	75 to 100 years
Treatment plants	50 years
Connections and meters	50 years
Power transmission	50 years
General plant	12 years
General buildings	25 years

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(4) Property, Plant and Equipment (continued)

Property, plant and equipment consisted of the following as of December 31:

	2013			
	Beginning Balance	Additions	Deletions/ Reclassifications	Ending Balance
Cost				
Real estate rights, non depreciable	\$ 13,354,233	\$ -	\$ -	\$ 13,354,233
Power and pumping stations - buildings	366,990,744	-	-	366,990,744
Power and pumping stations - machinery	297,641,612	2,409,898	-	300,051,510
Distribution systems	222,536,901	7,540,656	(1,215,943)	228,861,614
Sewerage collection	455,694,460	1,609,364	(1,865,627)	455,438,197
Canals and subsurface drainage	386,968,482	4,505,150	-	391,473,632
Treatment plants	194,704,036	182,410	-	194,886,446
Connections and meters	94,136,184	-	163,011	94,299,195
Power transmission	28,187,555	-	-	28,187,555
General plant	265,334,126	-	(69,508)	265,264,618
General buildings	7,586,547	-	-	7,586,547
Total property, plant, and equipment in service	2,333,134,880	16,247,478	(2,988,067)	2,346,394,291
Construction in progress	378,319,397	182,953,094	(16,246,477)	545,026,014
Total property, plant and equipment	2,711,454,277	199,200,572	(19,234,544)	2,891,420,305
Accumulated Depreciation				
Power and pumping stations - buildings	121,817,090	3,896,888	-	125,713,978
Power and pumping stations - machinery	146,132,663	7,500,007	-	153,632,670
Distribution systems	46,897,413	3,043,859	(1,215,943)	48,725,329
Sewerage collection	43,463,701	6,057,328	(1,865,627)	47,655,402
Canals and subsurface drainage	70,058,917	3,770,363	-	73,829,280
Treatment plants	56,816,018	3,897,729	-	60,713,747
Connections and meters	30,876,384	1,885,984	163,011	32,925,379
Power transmission	13,923,165	563,751	-	14,486,916
General plant	206,439,538	12,728,896	(69,508)	219,098,926
General buildings	6,497,465	303,462	-	6,800,927
Total accumulated depreciation	742,922,354	43,648,267	(2,988,067)	783,582,554
Net property, plant and equipment	\$ 1,968,531,923	\$ 155,552,305	\$ (16,246,477)	\$ 2,107,837,751

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(4) Property, Plant and Equipment (continued)

	2012			
	Beginning Balance	Additions	Deletions/ Reclassifications	Ending Balance
Cost				
Real estate rights, non depreciable	\$ 9,427,464	\$ 3,926,769	\$ -	\$ 13,354,233
Power and pumping stations - buildings	333,280,542	33,710,202	-	366,990,744
Power and pumping stations - machinery	243,528,616	54,112,996	-	297,641,612
Distribution systems	124,628,688	98,261,801	(353,588)	222,536,901
Sewerage collection	344,666,880	112,840,332	(1,812,752)	455,694,460
Canals and subsurface drainage	319,283,473	67,685,009	-	386,968,482
Treatment plants	139,877,046	54,826,990	-	194,704,036
Connections and meters	48,296,840	45,955,618	(116,274)	94,136,184
Power transmission	23,607,668	4,579,887	-	28,187,555
General plant	201,893,205	64,368,129	(927,208)	265,334,126
General buildings	7,586,547	-	-	7,586,547
Total property, plant, and equipment in service	1,796,076,969	540,267,733	(3,209,822)	2,333,134,880
Construction in progress	730,395,298	188,191,832	(540,267,733)	378,319,397
Total property, plant and equipment	2,526,472,267	728,459,565	(543,477,555)	2,711,454,277
Accumulated Depreciation				
Power and pumping stations - buildings	115,313,547	6,503,543	-	121,817,090
Power and pumping stations - machinery	138,692,879	7,439,784	-	146,132,663
Distribution systems	44,291,260	2,959,741	(353,588)	46,897,413
Sewerage collection	39,215,716	6,060,737	(1,812,752)	43,463,701
Canals and subsurface drainage	66,131,974	3,926,943	-	70,058,917
Treatment plants	52,918,289	3,897,729	-	56,816,018
Connections and meters	29,109,935	1,882,723	(116,274)	30,876,384
Power transmission	13,359,413	563,752	-	13,923,165
General plant	201,893,205	5,473,541	(927,208)	206,439,538
General buildings	6,194,003	303,462	-	6,497,465
Total accumulated depreciation	707,120,221	39,011,955	(3,209,822)	742,922,354
Net property, plant and equipment	\$ 1,819,352,046	\$ 689,447,610	\$ (540,267,733)	\$ 1,968,531,923

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS
(Continued)

(4) Property, Plant and Equipment (continued)

Interest capitalized was as follows for the years ended December 31:

	2013	2012
Interest income	\$ 27,354	\$ 28,757
Interest expense	(12,460,047)	(14,433,447)
Net interest capitalized	\$ (12,432,693)	\$ (14,404,690)

(5) Customer Receivables

Customer receivables as of December 31 consist of the following:

		Customer	Allowance	
		Accounts	for Doubtful	Net
		Accounts	Accounts	
2013	Water	\$ 11,338,749	\$ 4,015,056	\$ 7,323,693
	Sewer	9,720,593	3,100,015	6,620,578
		\$ 21,059,342	\$ 7,115,071	\$ 13,944,271
2012	Water	\$ 11,480,993	\$ 4,167,429	\$ 7,313,564
	Sewer	9,547,277	3,305,770	6,241,507
		\$ 21,028,270	\$ 7,473,199	\$ 13,555,071

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(6) Changes in Long-term Obligations

(A) Bonds Payable

Bonds payable consisted of the following as of December 31:

	<u>Principal Balances</u>	
	<u>2013</u>	<u>2012</u>
5.00% to 6.25% sewerage revenue bonds, series 1997 (initial average interest cost 5.36%), due in annual principal installments ranging from \$1,100,000 to \$2,425,000; final payment due June 1, 2017	\$ 8,935,000	\$ 10,875,000
4.125% to 6.125% water revenue bonds, series 1998 (initial average interest cost 4.82%), due in annual principal installments ranging from \$625,000 to \$1,220,000; final payment due December 1, 2018	5,570,000	6,535,000
4.125% to 6.000% sewer revenue bonds, series 1998 (initial average interest cost 4.82%), due in annual principal installments ranging from \$950,000 to \$1,910,000; final payment due June 1, 2018	8,705,000	10,215,000
4.10% to 6.10% drainage system bonds, series 1998 (initial average interest cost 4.84%), due in annual principal installments ranging from \$370,000 to \$760,000; final payment due December 1, 2018	3,445,000	4,040,000
5.25% to 6.50% sewer revenue bonds, series 2000 (initial average interest cost 5.48%), due in annual principal installments ranging from \$820,000 to \$2,205,000; final payment due June 1, 2020	13,040,000	14,505,000
5.00% to 7.00% sewer revenue bonds, series 2000B (initial average interest cost 5.43%), due in annual principal installments ranging from \$640,000 to \$1,660,000; final payment due June 1, 2020	9,875,000	10,995,000
4.40% to 6.70% sewer revenue bonds, series 2001 (initial average interest cost 5.02%), due in annual principal installments ranging from \$1,100,000 to \$2,455,000; final payment due June 1, 2021	16,685,000	18,370,000
3.00% to 5.00% sewerage service revenue bonds, series 2002 (initial average interest cost 4.36%; due in annual principal installments ranging from \$1,635,000 to \$4,520,000; final payment due June 1, 2022.	33,160,000	35,950,000

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(6) Changes in Long-term Obligations (continued)

(A) Bonds Payable (continued)

	<u>Principal Balances</u>	
	<u>2013</u>	<u>2012</u>
3.00% to 5.00% water revenue bonds, series 2002 (initial average interest cost 4.57%, due in annual principal installments ranging from \$945,000 to \$3,658,000; final payment due December 1, 2022.	\$ 22,085,000	\$ 23,555,000
3.45% to 6.00% drainage system bonds, series 2002 (initial average interest cost 4.46%), due in annual principal installments ranging from \$510,000 to \$2,155,000; final payment due December 1, 2022.	12,760,000	13,590,000
2.20% to 5.00% sewerage service revenue bonds, series 2003 (initial average interest cost 3.94%); due in annual principal installments ranging from \$140,000 to \$395,000; final payment due June 1, 2023.	3,270,000	3,530,000
3.25% to 6.00% sewerage service revenue bonds, series 2004 (initial average interest cost 4.26%); due in annual principal installments ranging from \$945,000 to \$3,685,000; final payment due June 1, 2024.	21,400,000	22,885,000
3.40% to 6.25% sewerage service revenue refunding bonds, series 2009 (initial average interest cost 6.68%); due in annual principal installments ranging from \$680,000 to \$1,945,000; final payment due June 1, 2029.	20,495,000	21,260,000
2.95% LADHH Loan Revenue bonds, series 2010A; due in certain percentage of total drawdown; final payment due February 1, 2030. Paid in full in 2013.	-	746,003
2.95% LADHH Loan Revenue bonds, series 2010B; due in certain percentage of total drawdown; final payment due February 1, 2030.	3,865	1,252,633
0.45% sewerage service subordinate revenue bonds, series 2011 (initial average interest cost 0.95%); due in annual principal installments ranging from \$411,000 to \$491,000; final payment due December 1, 2032.	8,420,403	7,471,505
Less: bond discounts	187,849,268	205,775,141
Plus: bond premiums	(230,636)	(255,162)
	782,362	941,563
Total	188,400,994	206,461,542
Less: current maturities	(18,145,000)	(17,382,000)
Bond payable, long-term	\$ 170,255,994	\$ 189,079,542

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(6) Changes in Long-term Obligations (continued)

(A) Bonds Payable (continued)

The changes in long-term debt were as follows:

	2013	2012
Balance, beginning of year	\$ 205,775,141	\$ 213,992,209
Payments	(19,358,003)	(16,175,000)
Proceeds	1,432,130	7,957,932
Balance, end of year	\$ <u>187,849,268</u>	\$ <u>205,775,141</u>

The annual requirements to amortize bonds payable as of December 31, 2013, are as follows:

Year	Principal	Interest	Total
2014	\$ 18,146,000	\$ 8,726,952	\$ 26,872,952
2015	19,035,000	7,832,287	26,867,287
2016	19,988,000	6,893,383	26,881,383
2017	21,012,865	5,896,155	26,909,020
2018	19,526,000	4,538,246	24,064,246
2019-2023	73,565,000	11,541,084	85,106,084
2024-2028	12,862,000	2,062,017	14,924,017
2029-2032	3,714,403	79,647	3,794,050
	\$ <u>187,849,268</u>	\$ <u>47,569,771</u>	\$ <u>235,419,039</u>

The amount of revenue bonds and tax bonds payable as of December 31, 2013, are as follows:

Year	Revenue Bonds	Tax Bonds	Total
2014	\$ 16,656,000	\$ 1,490,000	\$ 18,146,000
2015	17,480,000	1,555,000	19,035,000
2016	18,363,000	1,625,000	19,988,000
2017	19,307,865	1,705,000	21,012,865
2018	17,736,000	1,790,000	19,526,000
2019-2023	65,525,000	8,040,000	73,565,000
2024-2028	12,862,000	-	12,862,000
2029-2032	3,714,403	-	3,714,403
	\$ <u>171,644,268</u>	\$ <u>16,205,000</u>	\$ <u>187,849,268</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(6) Changes in Long-term Obligations (continued)

(A) Bonds Payable (continued)

The indentures under which these bonds were issued provide for the establishment of restricted funds for debt service as follows:

1. Debt service funds are required for the payment of interest and principal on the revenue and tax bonds. Monthly deposits on revenue bonds, excluding bond anticipation notes, are required to be made into this fund from operations in an amount equal to 1/6 of the interest falling due on the next interest payment date, and an amount equal to 1/12 of the principal falling due on the next principal payment date. All debt service funds are administered by the Board of Liquidation. The required amount to be accumulated in this fund was \$9,135,509 and \$8,793,211 at December 31, 2013 and 2012, respectively; the accumulated balance at December 31, 2013 and 2012 was \$13,105,720 and \$12,757,324 respectively. Monthly deposits to the debt service funds were temporarily suspended due to debt service payments being paid directly by the State of Louisiana through a Cooperative Endeavor Agreement and resumed as of June 2008. See note (6) (D) for additional information.
2. A debt service reserve is required for an amount equal to but not less than fifty percent of the amount required to be credited in said month to the debt service fund until there shall be accumulated in the debt service reserve account the largest amount required in any future calendar year to pay the principal and interest on outstanding bonds, except for the water and sewer bonds. The water bonds require an amount equal to the largest amount required in any future calendar year to pay the principal of and interest on outstanding bonds. There is no debt service reserve required for the 1998 and 2002 drainage 9 mill tax bonds. The sewer bonds require an amount equal to 125% of average aggregate debt service. The amounts required to be accumulated in this fund were \$15,120,930 and \$16,424,834 at December 31, 2013 and 2012 respectively; the accumulated balance at December 31, 2013 and 2012 was \$20,092,504.

The Board was in compliance with the requirements of its long-term debt agreements for the Water Department and Sewer Department for the years ended December 31, 2013 and 2012.

(B) Special Community Disaster Loan Payable

During January 2006, the Board entered into a long-term agreement with the Federal Emergency Management Agency under the Community Disaster Loan Act of 2005 as a result of the major disaster declaration of August 29, 2005 for Hurricane Katrina. The loan was for a term of five years, which may be extended, and shall bear interest at the latest five-year Treasury rate at the time of the closing date of the loan, plus one percent. Simple interest accrued from the date of each disbursement. Payments of principal and interest were deferred until the end of the five year period.

In 2010, the Board was granted a partial forgiveness of this loan in the amount of \$36,790,000 of principal and \$4,894,621 of accrued interest. In addition, the Board was granted a 5 year extension on the payment date. In 2013, the Board was granted forgiveness of the remaining outstanding balance of \$25,166,747 of principal and \$4,894,621 of accrued interest.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(6) Changes in Long-term Obligations (continued)

(C) LADHH Bonds Series 2010

The Board, in conjunction with the City, entered into an agreement with the Louisiana Department of Health and Hospitals (the Department) whereby the Department has committed to loan the City up to \$3,400,000 to fund the installation of a new sodium hypochlorite storage and feed facility as well as the installation of a new sludge line into the Mississippi River (Project). The loan is to be advanced in incremental amounts as project costs are incurred. The indebtedness to the Department will be evidenced through the LADHH bonds payable and the Board will pay the bonds in 20 principal installments, payable annually beginning no later than 2 years after the Closing Date (February 1, 2010) or 1 year after the completion of the Project. Each annual installment due is based upon a pre-determined percentage of the ultimate amount of the borrowing that is not forgivable (see forgiveness provisions in the following paragraph). Principal payments of the amount repayable began February 1, 2011. Interest on the bonds is incurred at the rate of 2.95% and payment thereof began August 1, 2010 and is due semi-annually thereafter. As of December 31, 2013, the Project has been completed, and the amount of advances totaled \$3,185,740.

A portion of the LADHH bonds payable is to be funded with amounts provided under the American Recovery and Reinvestment Act (ARRA). Up to \$1,000,000 of the ARRA Loan can be forgiven. The City received advances of \$3,185,740 as of December 31, 2013. Of this amount, \$1,000,000 has been forgiven, \$2,181,875 has been repaid, and the remaining balance of \$3,865 is recorded as bonds payable at December 31, 2013. The Board received advances of \$3,113,636 as of December 31, 2012. Of this amount, \$1,000,000 has been forgiven, \$115,000 has been repaid, and the remaining balance of \$1,998,636 is recorded as bonds payable at December 31, 2012.

(D) Sewerage Service Subordinate Revenue Bonds, Series 2011

The City entered into an agreement with the Louisiana Department of Environmental Quality (LDEQ) whereby the LDEQ has committed to loan the Board \$9,000,000 to fund sewer main replacements, point repairs, replacement of associated service connections and laterals, sewer line rehabilitation by cured in-place pipe lining and manhole rehabilitation. The loan is to be advanced in incremental amounts as project costs are incurred. The indebtedness to the LDEQ will be evidenced through the Sewerage Service Subordinate Revenue Bonds, Series 2011. Annual principal payments are due beginning November 1, 2013 and continuing through November 1, 2032. Interest on the bonds is incurred at the rate of 0.45%, and the LDEQ administrative fee rate is 0.5%. Interest and administrative fee payments began on May 1, 2012 and are due semi-annually thereafter. As of December 31, 2013 and 2012, \$8,420,403 and \$7,471,505, respectively, have been drawn down on the loan and is recorded as bonds payable.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(6) Changes in Long-term Obligations (continued)

(E) Debt Service Assistance

In July 2006, the Board and the State of Louisiana (the State) entered into a Cooperative Endeavor Agreement whereby the State agreed to lend up to \$77,465,247 from State funds on deposit in the Debt Service Assistance Fund, authorized by the Gulf Opportunity Zone Act of 2005 and Act 41 of the First Extraordinary Session of the Louisiana Legislature of 2006, to assist in payment of debt service requirements from 2006 through 2008 due to disruption of tax bases and revenue streams caused by Hurricanes Katrina and Rita. Draw downs on the loan will be made as debt service payments become due. No principal or interest shall be payable during the initial five year period of the loan. After the expiration of the initial five year period, the loan shall bear interest at a fixed rate of 4.64 percent. Principal payments on the bonds began in July 2012 and the loan will mature in July 2026. Interest is payable semi-annually on January 15 and July 15 beginning January 2012. The loan may be prepaid without penalty or premium.

As of December 31, 2013, debt service requirements relating to the bond are as follows:

<u>Years Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 4,038,502	\$ 3,244,174	\$ 7,282,676
2015	4,225,892	3,056,787	7,282,679
2016	4,421,973	2,860,705	7,282,678
2017	4,627,153	2,655,526	7,282,679
2018	4,841,852	2,440,826	7,282,678
2019-2023	27,795,069	8,618,323	36,413,392
2024-2026	19,967,096	1,880,950	21,848,046
	<u>\$ 69,917,537</u>	<u>\$ 24,757,291</u>	<u>\$ 94,674,828</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(6) Changes in Long-term Obligations (continued)

(F) Southeast Louisiana Project

In 2010, the Coastal Protection and Restoration Authority of Louisiana entered into agreements (SELA PPA and SELA DPA) with the Department of the Army for the Southeast Louisiana, Louisiana Project in Jefferson and Orleans Parishes (the Project). The purpose of the Project is to provide flood damage reduction and interior drainage for Orleans and Jefferson Parishes in southeast Louisiana. The agreements set forth the obligations of the federal government and non-federal sponsors, including the Board, regarding the construction and the operation, maintenance, repair, rehabilitation, and replacement of the Project. For the projects, the federal government is liable for 65% of the project costs and the non-federal sponsors are liable for the remaining 35%. Under the agreement, the Department of the Army, subject to the availability of funds appropriated by the Congress of the United States, shall design and construct specified work at 100% federal expense. The Board will be allowed to defer payment of its required non-federal contribution of funds of 35% and to pay said contribution of funds with interest over a period of not more than 30 years from the date of completion of the project or separable element of the project. The interest rate to be used in computing the interest shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the payment period during the month preceding the Government fiscal year in which the first federal construction contract for such separable element is awarded to the SELA PPA, plus a premium of one-eighth of one percentage point for transaction costs.

(7) Due to City of New Orleans

The Board bills and collects sanitation charges on behalf of the City of New Orleans (the City). The Board is not liable for any uncollected sanitation charges.

Additionally, amounts included in accounts payable due to the City were \$12,697,655 and \$10,889,569 at December 31, 2013 and 2012, respectively.

(8) Property Taxes

Property taxes are levied by the City of New Orleans. Taxes on real and personal property attach as an enforceable lien on the property as of January 1. Taxes are levied on January 1, payable on January 1, and delinquent on February 1.

The assessed value of the property is determined by an elected Assessor. The assessed value for 2013 and 2012 was \$3,088,964,621 and \$2,949,672,237, respectively. The combined tax rate dedicated for the Board for the years ended December 31, 2013 and 2012 was \$16.43 per \$1,000 of assessed valuation. These dedicated funds are available for operations, maintenance, construction and extension of the drainage system (except for subsurface systems).

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(9) Commitments

(A) Capital Improvements

At December 31, 2013, the Board's budget for its ten year capital improvements program totaled \$2,521,173,000 including \$836,465,000 for water, \$601,037,000 for sewerage and \$1,083,671,000 for drainage.

Due to certain regulatory and legislative changes, additional capital improvements will probably be required. Future capital improvement program expenditures may require the issuance of additional debt depending on the amount and timing of expenditures. As of December 31, 2013, the Board has committed or appropriated \$45,465,584 in investments for use in future capital projects and has \$189,511 of bond proceeds remaining for construction. The capital project investments are included in restricted assets.

The capital improvements budget for 2014 is \$723,446,000 including \$561,895,000 for projects, which are expected to be funded by federal grants and programs. Significant projects included in property, plant and equipment in progress as of December 31, 2013 include the following:

Hurricane Katrina related Repairs and Replacements
Southeast Louisiana Flood Control Program
Sewer System Sanitation Evaluation and Rehabilitation Program
Eastbank Sewer Treatment Plant
Westbank Sewer Treatment Plant
Wetlands Assimilation Project

(B) Self-insurance

The Board is self-insured for general liability, workers' compensation, and hospitalization benefits and claims. Settled claims have not exceeded excess coverage in any of the past three fiscal years. Hospitalization benefits are charged to payroll related expense.

General liability claims are segregated internally by "claims" and "suits" depending on the scope and type of claim, and are handled by the Office of the Special Counsel and Administrative Services. Individual general liability losses have ranged from \$100 to \$7,500,000, illustrating the volatility of this exposure. The claims expense provision for 2013 and 2012 amounted to \$234,326 and \$1,245,349, respectively.

Worker's compensation expense provision for 2013 and 2012 amounted to \$2,249,578 and \$2,003,423, respectively.

The hospitalization self-insurance benefits are administered by Blue Cross of Louisiana. The Board's expense provision in excess of employee contributions for 2013 and 2012 was \$14,238,353 and \$13,384,591, respectively, and is included in payroll related expenses.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(9) Commitments (continued)

(B) Self-insurance (continued)

Changes in the claims payable amount are as follows (health payments are reflected net):

Fiscal Year	Beginning of Year	Current Year Claims and Estimate Change	Claim Payments	End of Year
2013	\$ 13,211,184	\$ 16,140,604	\$ (16,437,387)	\$ 12,914,401
2012	\$ 14,901,481	\$ 13,345,714	\$ (15,036,011)	\$ 13,211,184

The composition of claims payable is as follows:

	2013	2012
Short-term:		
Workers' compensation	\$ 1,709,247	\$ 1,372,932
Health insurance	2,327,499	2,214,496
General liability	6,964,048	7,389,681
Total short-term	11,000,794	10,977,109
Long-term:		
Workers' compensation	1,913,607	2,234,075
Total long-term	1,913,607	2,234,075
Total	\$ 12,914,401	\$ 13,211,184

(B) Regulatory Matters

The Sewer System Evaluation and Rehabilitation Program (SSERP) was initially estimated to cost the Board \$408.2 million by the original Consent Decree end date of 2015. However, the Board has negotiated, and continues to negotiate with U.S. Environmental Protection Agency (EPA), extensions beyond the original Consent Decree deadline. Consequently, the original Consent Decree has been modified to currently provide an end date of October 2019.

The Board is also participating in Federal financial award programs which are subject to financial and compliance audits by various agencies. No disallowed costs have been identified. As part of Federal and other governmental agency funding, the Board is required to match a portion of funding received. The Board believes it has sufficient funds to meet its matching requirements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(9) Commitments (continued)

(D) Postemployment Healthcare Benefits

Plan Description – The Board's postemployment benefit plan is a single-employer defined benefit plan. The Board's post-employment medical benefits for retirees are provided through a self-insured medical plan and are made available to employees upon actual retirement.

The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 62 and 10 years of service; age 65 and 5 years of service; age 70 regardless of service; or, if age plus service equals at least 80. Complete plan provisions are contained in the official plan documents. Currently, the Board provides post employment medical benefits to 584 retired employees.

Contribution Rates - Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy - Until 2007, the Board recognized the cost of providing post-employment medical benefits (the Board's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2013 and 2012, the Board's portion of health care funding cost for retired employees totaled \$6,643,309 and \$6,412,644, respectively. Effective January 1, 2007, the Board applies this amount toward the Net OPEB Benefit Obligation as shown in the tables on the following page.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(9) Commitments (continued)

(D) Postemployment Healthcare Benefits (continued)

Annual Required Contribution - The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2013</u>	<u>2012</u>
Normal cost	\$ 4,245,637	\$ 4,233,408
30-year UAL amortization amount	9,961,041	10,196,635
Annual required contribution (ARC)	\$ 14,206,678	\$ 14,430,043

Net Post-employment Benefit Obligation - The table below shows the Board's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

	<u>2013</u>	<u>2012</u>
Beginning Net OPEB Obligation	\$ 48,072,203	\$ 40,781,954
Annual required contribution	14,206,678	14,430,043
Interest on Net OPEB Obligation	1,922,888	1,631,278
ARC Adjustment	(2,780,026)	(2,358,429)
OPEB Cost	13,349,540	13,702,892
Contribution	-	-
Current year retiree premium	(6,643,309)	(6,412,643)
Change in Net OPEB Obligation	6,706,231	7,290,249
Ending Net OPEB Obligation	\$ 54,778,434	\$ 48,072,203

The following table shows the Board's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2012	\$ 13,349,540	49.76%	\$ 54,778,434
December 31, 2012	\$ 13,702,892	46.80%	\$ 48,072,203
December 31, 2011	\$ 14,070,394	44.95%	\$ 40,781,954

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(9) Commitments (continued)

(D) Postemployment Healthcare Benefits (continued)

Funded Status and Funding Progress - In 2013 and 2012, the Board made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. As of January 1, 2013, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) was \$172,246,761 which is defined as that portion, as determined by a particular actuarial cost method (the Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

The required schedule of funding progress following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Additional information for the actuarial valuation is as follows:

	2013	2012
Actuarial Accrued Liability (AAL)	\$ 172,246,761	\$ 176,321,034
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ 172,246,761	\$ 176,321,034
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 35,435,285	\$ 35,106,359
UAAL as a percentage of covered payroll	486.09%	502.25%

Actuarial Methods and Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(9) Commitments (continued)

(D) Postemployment Healthcare Benefits (continued)

Actuarial Cost Method - The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets - Since the OPEB obligation has not as yet been funded, there are not any plan assets. It is anticipated that in future valuations, should funding take place, plan assets will be valued using a smoothed market value method consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 8%. In addition to age related turnover, it has additionally been assumed that 10% of future eligible retirees will decline coverage upon retirement.

Post employment Benefit Plan Eligibility Requirements - It is assumed that entitlement to benefits will commence five years after earliest eligibility for retirement (D.R.O.P. entry). The five years is to accommodate the anticipated period of the D.R.O.P. Also, if the initial eligibility for D.R.O.P. entry is prior to age 55, an additional one year delay has been assumed, and it has been assumed that members eligible for the "Rule of 80" retirement formula delay three years beyond that earliest retirement date. Medical benefits are provided to employees upon actual retirement. The retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 62 and 10 years of service; age 65 and 5 years of service; age 70 regardless of service; or, if age plus service equals at least 80. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate) - GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate - The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(9) Commitments (continued)

(D) Postemployment Healthcare Benefits (continued)

Method of Determining the Value of Benefits - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The current premium schedules for active and retired are "unblended" rates, as required by GASB 45.

Inflation Rate – Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases – This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases – The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

(10) Deferred Compensation Plan

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property, and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the employees, therefore the assets of the plan are not included in these financial statements.

(11) Budgets

Operating and capital expenditure budgets are adopted by the Board on a basis consistent with accounting principles generally accepted in the United States. While not legally required, this budgetary information is employed as a management control device during the year. Comparison between actual and budgeted expenses is not a required presentation for an Enterprise Fund.

(12) Segment Information

The Board issued revenue bonds to finance its water and sewerage departments which operate the Board's water and sewerage treatment plants and distribution and collection systems. These bonds are accounted for in a single fund; however, investors in the revenue bonds rely solely on the revenue generated by the individual activities for repayment.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(12) Segment Information (continued)

Summary financial information for these departments as of and for the years ended December 31 is as follows:

	<u>Condensed Statements of Net Position</u>			
	<u>Water</u>		<u>Sewer</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	(amounts in thousands)			
Assets:				
Property, plant and equipment	\$ 367,104	\$ 344,621	\$ 864,435	\$ 812,778
Current unrestricted assets	47,044	41,518	35,258	37,898
Restricted assets	8,655	10,994	29,044	30,918
Other assets	23	23	18	18
Total assets	<u>\$ 422,826</u>	<u>\$ 397,156</u>	<u>\$ 928,755</u>	<u>\$ 881,612</u>
Net position:				
Net investment in capital assets	\$ 339,297	\$ 312,475	\$ 720,049	\$ 656,405
Restricted	5,292	7,417	28,023	27,674
Unrestricted	(31,320)	(62,972)	(81,405)	(72,859)
Total net position	<u>313,269</u>	<u>256,920</u>	<u>666,667</u>	<u>611,220</u>
Liabilities:				
Current	38,975	39,424	35,564	31,553
Current liabilities payable from restricted assets	13,143	12,525	16,305	15,874
Noncurrent liabilities	57,439	88,287	210,219	222,965
Total liabilities	<u>109,557</u>	<u>140,236</u>	<u>262,088</u>	<u>270,392</u>
Total liabilities and net position	<u>\$ 422,826</u>	<u>\$ 397,156</u>	<u>\$ 928,755</u>	<u>\$ 881,612</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(12) Segment Information (continued)

Condensed Statements of Revenues, Expenses and Changes in Net Position

	Water		Sewer	
	2013	2012	2013	2012
	(amounts in thousands)			
Service charges, pledged				
against bonds	\$ 67,974	\$ 63,834	\$ 79,623	\$ 72,041
Depreciation expense	(16,162)	(11,323)	(13,390)	(14,366)
Other operating expenses	(65,243)	(63,138)	(46,202)	(45,396)
Operating income (loss)	(13,431)	(10,627)	20,031	12,279
Nonoperating revenues (expenses):				
Investment earnings	84	95	177	196
Forgiveness of Community Disaster Loan	30,061	-	-	-
Other	1,830	7,003	280	162
Total nonoperating revenues (expenses)	31,975	7,098	457	358
Capital contributions	37,805	34,593	34,959	24,574
Change in net position	56,349	31,064	55,447	37,211
Beginning net position	256,920	225,856	611,220	574,009
Ending net position	\$ 313,269	\$ 256,920	\$ 666,667	\$ 611,220

Condensed Statements of Cash Flows

	Water		Sewer	
	2013	2012	2013	2012
	(amounts in thousands)			
Net cash provided by (used in):				
Operating activities	\$ 6,159	\$ 6,673	\$ 33,614	\$ 33,777
Noncapital financing activities	3,990	(14,862)	694	24,071
Capital and related financing activities	2,497	(1,651)	(37,763)	(49,794)
Investing activities	61	41	68	79
Net increase (decrease)	12,707	(9,799)	(3,387)	8,133
Cash and cash equivalents:				
Beginning of year	31,034	40,833	55,833	47,700
End of year	\$ 43,741	\$ 31,034	\$ 52,446	\$ 55,833

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(13) Natural Disaster

As of December 31, 2013 and 2012, the Board has cumulatively received approximately \$317.4 million and \$281.8 million, respectively, of cash reimbursements from the Federal Emergency Management Agency (FEMA). Included in accounts receivable as of December 31, 2013 and 2012 are \$11,693,325 and \$21,708,578, respectively, of reimbursements due from FEMA. Eligible FEMA grants totaling in excess of \$657.2 million are in various stages of the approval process and include amounts for system repairs, building repairs, vehicle and equipment repairs and replacements, temporary power, supplies and other costs.

On June 29, 2007, the Board entered into a Cooperative Endeavor Agreement with the State of Louisiana, City of New Orleans, Louisiana, and the Louisiana Public Facilities Authority (LPFA). The LPFA agreed to issue its bonds to provide the cash capital investment to pay for capital improvements of the City of New Orleans and the Board. The establishment of the construction fund permits the Board and City of New Orleans to publicly bid contracts that are subject to a Project Worksheet that has been obligated by FEMA or for which an award letter has been received and encumber such amounts. The State of Louisiana, City of New Orleans, and Sewerage and Water Board agree that as FEMA pays any reimbursement amounts related to projects for which disbursements have been made, or the City or the Sewerage and Water Board receives monies related to the hazard mitigation grant program for which disbursements have been made from the construction fund, the full amount of such projects shall be deposited in the construction fund and used to fund additional projects until all City of New Orleans and Sewerage and Water Board improvements are completed. The total amount made available to the Board under the agreement was \$100,000,000. The agreement also permits disbursements from the construction fund for projects with a Project Worksheet that have not been obligated by FEMA, and as a result, will not be reimbursed by FEMA. The Board is not required to reimburse the construction fund for these unobligated projects. At December 31, 2013 and 2012, the Board had an outstanding obligation under the agreement of \$11,693,325 and \$21,708,578 included as a liability in due to other governments on the statements of net position, which represent amounts not yet reimbursed by FEMA for obligated projects and deposited back into the construction fund.

(14) Restatement

Change in Accounting Principle

The Board has implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2013. This standard provides guidance for reporting the financial statement elements of deferred outflows of resources and deferred inflows of resources, required by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 65 also identifies certain items previously reported as assets and liabilities that the GASB determined should be recognized as revenues, expenses, or expenditures when incurred and not reported in statements of net position/balance sheets.

Correction of an Error

In addition, the Board identified an overstatement of the Disaster Reimbursement Revolving Loan which impacted prior year financial statements due to the recording of a liability for amounts that are not required to be reimbursed back to the LPFA under the Cooperative Endeavor Agreement that is described in Note 13.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

(Continued)

(14) Restatement (continued)

The impact of the restatement is as follows:

Previously reported net position as of January 1, 2012	\$ 1,497,186,358
Adjustment as a result of the implementation of GASB Statement No. 65	(1,936,339)
Adjustment as a result of the overstatement of the Disaster Reimbursement Loan	42,729,399
Net position as of January 1, 2012, as restated	<u>\$ 1,537,979,418</u>

Previously reported change in net position for the year ended December 31, 2012	\$ 103,426,205
Adjustment as a result of the implementation of GASB Statement No. 65	168,419
Adjustment as a result of the overstatement of the Disaster Reimbursement Loan	20,837,632
Change in net position for the year ended December 31, 2012, as restated	<u>\$ 124,432,256</u>

(15) New Pronouncements

The GASB issued Statement No. 66, *Technical Corrections - 2012* in March 2012. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The provisions of this Statement are effective for 2013. There was no impact to the Board with the implementation of this statement.

The GASB issued Statement No. 67, *Financial Reporting for Pension Plans* in June 2012. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2013.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS (Continued)

(15) New Pronouncements (continued)

The GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions* in June 2012. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*. Statement No. 67, *Financial Reporting for Pension Plans*, revises existing standards of financial reporting for most pension plans. This Statement and Statement 67 establish a definition of a pension plan that reflects the primary activities associated with the pension arrangement--determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. This Statement is effective for fiscal years beginning after June 15, 2014.

The GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, in November 2013. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68.

Management of the Board is currently assessing the impact of these new pronouncements on the financial statements.

(16) Subsequent Event

In 2014, the Board passed resolutions authorizing the issuance of Water Revenue and Refunding Bonds, Series 2014, not exceeding \$115 million; Sewerage Service Revenue and Refunding Bonds, Series 2014, not exceeding \$200 million; and Drainage System Improvement and Refunding Bonds, Series 2014, not exceeding \$100 million. Management anticipates that the bonds will be issued in the second or third quarter of 2014.

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**REQUIRED SUPPLEMENTARY INFORMATION
(GASB STATEMENTS NO. 25 AND NO. 45)**

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
Required Supplementary Information Under GASB Statement No. 25
SCHEDULE OF FUNDING PROGRESS
For the years ended December 31, 2013 and 2012

Actuarial Valuation Date December 31	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	(Overfunded) Unfunded AAL	Funded Ratio	Covered Payroll (millions)	Unfunded AAL as a Percentage of payroll
2013	\$ 226,423,894	\$ 288,803,214	\$ 62,379,320	78.40%	29.71	209.96%
2012	229,633,410	283,599,128	53,965,718	80.97%	29.07	185.62%
2011	229,137,699	285,509,317	56,371,618	80.26%	29.74	189.55%
2010	230,298,898	277,273,632	46,974,734	83.06%	29.67	158.32%
2009	228,999,660	269,506,028	40,506,368	84.97%	29.95	135.26%
2008	222,598,640	260,616,822	38,018,182	85.41%	29.47	129.02%
2007	223,583,589	245,202,189	21,618,600	91.18%	26.54	81.44%
2006	217,274,416	235,664,407	18,389,991	92.20%	25.93	70.92%
2005	209,829,340	225,544,886	15,715,546	93.03%	30.05	52.30%
2004	204,706,452	218,155,395	13,448,943	93.84%	30.17	44.58%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contribution
2013	\$ 10,393,722	\$ 5,946,614	57.21%
2012	9,127,733	6,114,997	66.99%
2011	9,815,493	5,436,700	55.39%
2010	8,385,788	5,146,081	61.37%
2009	7,591,507	5,247,031	69.12%
2008	7,146,647	4,915,512	68.78%
2007	4,598,587	3,885,124	84.49%
2006	4,073,502	3,343,713	82.08%
2005	4,702,354	3,716,381	79.03%
2004	4,271,797	3,721,034	87.11%

See accompanying notes to financial statements.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
Required Supplementary Information Under GASB Statement No. 45
SCHEDULE OF FUNDING PROGRESS
For the years ended December 31, 2013 and 2012

<u>Actuarial Valuation Date December 31</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>(Overfunded) Unfunded AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll (millions)</u>	<u>Unfunded AAL as a Percentage of payroll</u>
2013	\$ -	\$ 172,246,761	\$ 172,246,761	0.00%	35.44	486.02%
2012	-	176,321,034	176,321,034	0.00%	35.11	502.25%
2011	-	178,681,549	178,681,549	0.00%	35.08	509.33%
2010	-	178,904,131	178,904,131	0.00%	34.74	514.92%
2009	-	184,174,734	184,174,734	0.00%	33.88	543.56%
2008	-	177,956,339	177,956,339	0.00%	29.47	603.93%
2007	-	147,995,856	147,995,856	0.00%	27.00	548.13%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contribution</u>
2013	\$ 14,206,678	\$ 6,176,720	43.48%
2012	14,430,043	6,070,360	42.07%
2011	14,659,445	6,057,637	41.32%
2010	14,759,470	5,728,065	38.81%
2009	15,046,112	5,487,971	36.47%
2008	14,304,620	5,673,616	39.66%
2007	12,818,364	6,143,654	47.93%

See accompanying notes to financial statements.

SUPPLEMENTARY INFORMATION

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF NET POSITION BY DEPARTMENT
ENTERPRISE FUND
As of December 31, 2013 and 2012

	Water System		Sewerage System		Drainage System		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
ASSETS								
Noncurrent assets:								
Property, plant and equipment	\$ 671,440,879	\$ 633,888,757	\$ 1,078,657,752	\$ 1,015,485,163	\$ 1,141,321,674	\$ 1,062,080,357	\$ 2,891,420,305	\$ 2,711,454,277
Less: accumulated depreciation	304,336,346	289,267,573	214,222,257	202,706,298	265,023,951	250,948,483	783,582,554	742,922,354
Property, plant, and equipment, net	367,104,533	344,621,184	864,435,495	812,778,865	876,297,723	811,131,874	2,107,837,751	1,968,531,923
Other assets:								
Deposits	22,950	22,950	17,965	17,965	10,400	10,400	51,315	51,315
Total other assets	22,950	22,950	17,965	17,965	10,400	10,400	51,315	51,315
Total noncurrent assets	367,127,483	344,644,134	864,453,460	812,796,830	876,308,123	811,142,274	2,107,889,066	1,968,583,238
Current assets:								
Unrestricted and undesignated								
Cash and cash equivalents	16,029,725	(911,869)	12,124,365	9,548,524	2,172,250	(29,438)	30,326,340	8,607,217
Accounts receivable:								
Customers, net of allowance	7,349,193	7,313,564	6,595,078	6,241,507	-	-	13,944,271	13,555,071
Taxes	-	-	-	-	8,119,202	7,732,452	8,119,202	7,732,452
Grants	2,395,938	13,187,269	2,168,243	3,619,893	7,277,712	6,181,161	11,841,893	22,988,323
Miscellaneous	842,377	903,164	606,803	326,172	2,068,368	1,407,822	3,517,548	2,637,158
Due from (to) other internal departments	(9,614,307)	(10,931,662)	569,471	331,802	9,044,836	10,599,860	-	-
Inventory of supplies	4,528,425	4,625,040	1,507,642	2,130,750	899,552	942,537	6,935,599	7,698,327
Prepaid expenses	505,681	430,714	351,099	276,132	119,227	44,260	976,007	751,106
Total unrestricted and undesignated	22,037,032	14,616,220	23,922,701	22,474,780	29,701,127	26,878,654	75,660,860	63,969,654
Designated cash, cash equivalents, and investments								
Cash and cash equivalents designated for capital projects	13,346,275	15,835,476	10,272,939	16,389,123	17,480,308	24,453,380	41,099,522	56,877,979
Customer deposits	10,106,417	9,492,988	-	-	-	-	10,106,417	9,492,988
Other	1,554,688	1,573,195	1,062,128	1,103,661	1,021,009	1,062,545	3,637,825	3,739,401
Total designated cash, cash equivalents, and investments	25,007,380	26,901,659	11,335,067	17,692,784	18,501,317	25,515,925	54,843,764	70,110,368
Restricted cash, cash equivalents, and investments								
Cash and cash equivalents restricted for capital projects	2,586,668	2,824,148	244,566	244,590	1,724,339	1,728,600	4,555,573	4,797,338
Health insurance reserve	775,834	752,930	775,833	730,785	775,833	730,785	2,327,500	2,214,500
Debt service reserve	5,291,590	7,417,365	28,022,900	27,673,732	90,775	95,786	33,405,265	35,186,883
Total restricted cash, cash equivalents, and investments	8,654,092	10,994,443	29,043,299	28,649,107	2,590,947	2,555,171	40,288,338	42,198,721
Total current assets	55,698,504	52,513,322	64,301,067	68,816,671	50,793,391	54,949,750	170,792,962	176,278,743
Total assets	\$ 422,825,987	\$ 397,156,456	\$ 928,754,527	\$ 881,613,501	\$ 927,101,514	\$ 866,092,024	\$ 2,278,682,028	\$ 2,144,861,981

(Continued)

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF NET POSITION BY DEPARTMENT, CONTINUED
ENTERPRISE FUND
As of December 31, 2013 and 2012

	Water System		Sewerage System		Drainage System		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
NET POSITION AND LIABILITIES								
Net position:								
Net investment in capital assets	\$ 339,295,492	\$ 312,351,156	\$ 720,048,542	\$ 656,217,351	\$ 860,092,723	\$ 793,501,874	\$ 1,919,436,757	\$ 1,762,070,381
Restricted for debt service	5,291,590	7,417,365	28,022,900	27,673,732	90,775	95,786	33,405,265	35,186,883
Unrestricted	(31,318,356)	(62,848,171)	(81,404,547)	(72,671,128)	(23,986,505)	673,709	(136,709,408)	(134,845,590)
Total net position	313,268,726	256,920,350	666,666,895	611,219,955	836,196,993	794,271,369	1,816,132,614	1,662,411,674
Long-term liabilities:								
Claims payable	637,869	744,692	637,869	744,691	637,869	744,692	1,913,607	2,234,075
Net pension obligation	5,048,288	3,612,806	5,178,234	3,742,752	5,203,814	3,768,332	15,430,336	11,123,890
Other postretirement benefits liability	20,700,644	18,465,233	17,722,296	15,486,886	16,355,494	14,120,084	54,778,434	48,072,203
Bonds payable, net of current maturities	25,264,041	29,744,028	130,276,953	143,130,514	14,715,000	16,205,000	170,255,994	189,079,542
Special Community Disaster loan payable	-	29,576,512	-	-	-	-	-	29,576,512
Southeast Louisiana Project liability	-	-	-	-	29,391,071	14,231,768	29,391,071	14,231,768
Debt Service Assistance Fund loan payable, net of current maturities	5,788,945	6,143,817	56,403,364	59,860,993	3,686,726	3,912,729	65,879,035	69,917,539
Total long-term liabilities	57,439,787	88,287,088	210,218,716	222,965,836	69,989,974	52,982,605	337,648,477	364,235,529
Current liabilities (payable from current assets):								
Accounts payable	16,232,169	15,619,784	16,725,760	16,410,906	4,664,132	4,238,213	37,622,061	36,268,903
Due to City of New Orleans	160,122	160,093	-	-	7,277,712	6,181,161	160,122	160,093
Disaster Reimbursement Revolving Loan	2,395,208	13,186,539	2,020,405	2,340,878	357,652	233,508	11,693,325	21,708,578
Retainers and estimates payable	2,071,365	1,061,361	4,119,264	2,138,480	78,619	21,844	6,548,281	3,433,349
Due to other fund	136,173	38,226	63,847	17,943	423,803	472,549	278,639	78,013
Accrued salaries	867,240	876,519	459,426	450,793	2,234,780	2,412,867	1,750,469	1,799,861
Accrued vacation and sick pay	4,574,360	4,233,719	2,997,773	3,156,850	4,013,589	3,481,033	9,806,913	9,803,436
Claims payable	3,982,894	3,775,987	3,004,311	3,720,089	226,003	215,982	11,000,794	10,977,109
Debt Service Assistance Fund loan payable	354,869	339,136	3,457,630	3,304,310	-	-	4,038,502	3,859,428
Advances from federal government	8,182,773	-	2,704,959	-	-	-	10,887,732	-
Other liabilities	17,606	132,349	10,502	12,678	-	(1,896)	28,108	143,131
Total Current liabilities (payable from current assets):	38,974,779	39,423,713	35,563,877	31,552,927	19,276,290	17,255,261	93,814,946	88,231,901
Current liabilities (payable from restricted assets):								
Accrued interest	248,393	267,233	1,850,958	1,974,411	144,230	153,762	2,243,581	2,395,406
Bonds payable	2,545,000	2,526,000	14,110,000	13,431,000	1,490,000	1,425,000	18,145,000	17,382,000
Retainers and estimates payable	242,885	239,084	344,081	469,372	4,027	4,027	590,993	712,483
Customer deposits	10,106,417	9,492,988	-	-	-	-	10,106,417	9,492,988
Total Current liabilities (payable from restricted assets):	13,142,695	12,525,305	16,305,039	15,874,783	1,638,257	1,582,789	31,085,991	29,982,877
Total current liabilities	52,117,474	51,949,018	51,868,916	47,427,710	20,914,547	18,838,050	124,900,937	118,214,778
Total liabilities	109,557,261	140,236,106	262,087,632	270,393,546	90,904,521	71,820,655	462,549,414	482,450,307
Total net position and liabilities	\$ 422,825,987	\$ 397,156,456	\$ 928,754,527	\$ 881,613,501	\$ 927,101,514	\$ 866,092,024	\$ 2,278,682,028	\$ 2,144,861,981

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY DEPARTMENT
ENTERPRISE FUND
For the years ended December 31, 2013 and 2012

	Water System		Sewerage System		Drainage System		Total
	2013	2012	2013	2012	2013	2012	
Operating revenues:							
Sales of water and delinquent fees	\$ 64,398,609	\$ 60,256,304	\$ -	\$ -	\$ -	\$ -	\$ 64,398,609
Sewerage service charges	-	-	78,535,785	71,407,835	-	-	78,535,785
Plumbing inspection and license fees	321,518	343,903	321,518	343,903	-	-	643,036
Other revenues	3,253,430	3,234,003	766,030	288,943	1,099,908	1,103,330	5,119,368
Total operating revenues	67,973,557	63,834,210	79,623,333	72,040,681	1,099,908	1,103,330	148,696,798
Operating Expenses:							
Power and pumping	4,066,208	3,576,750	2,950,685	2,862,242	5,555,727	5,512,754	12,572,620
Treatment	7,827,508	8,148,016	10,315,541	10,758,524	-	-	18,143,049
Transmission and distribution	13,607,397	16,323,002	7,795,739	7,647,470	1,920,764	2,049,241	23,323,900
Customer accounts	1,690,798	1,643,953	1,690,795	1,643,950	44,341	46,749	3,425,934
Customer service	1,732,100	1,666,152	1,732,097	1,666,148	-	-	3,464,197
Administration and general	13,890,259	13,204,811	5,558,302	4,750,113	5,708,398	5,416,198	17,333,945
Payroll related	6,067,245	5,713,425	11,513,703	11,408,577	9,524,860	9,367,471	34,928,822
Maintenance of general plant	14,497,091	11,485,546	4,009,348	3,555,707	9,140,588	9,439,307	27,647,127
Depreciation	16,162,085	11,322,865	13,389,705	14,365,913	14,096,477	13,323,177	43,648,267
Provision for doubtful accounts	1,072,550	1,150,450	824,362	525,961	155,184	100	2,052,096
Provision for claims	791,721	226,441	(188,081)	577,065	1,197,474	(672,802)	1,801,114
Total operating expenses	81,404,962	74,461,411	59,592,196	59,761,670	47,343,913	44,482,195	188,341,071
Operating income (loss)	(13,431,405)	(10,627,201)	20,031,137	12,279,011	(46,244,005)	(43,378,865)	(39,644,273)
Non-operating revenues (expenses):							
Three-mill tax	-	-	-	-	13,175,711	12,497,723	13,175,711
Six-mill tax	-	-	-	-	13,317,505	12,630,977	13,317,505
Nine-mill tax	-	-	-	-	19,962,114	18,933,290	19,962,114
Other taxes	219,877	123,885	274,229	154,509	-	-	494,106
Operating and maintenance grants	1,981,568	7,617,063	5,367	7,463	67,557	-	2,054,492
Interest income	83,842	95,204	177,173	196,435	92,615	109,748	353,630
Interest expense	(371,382)	(737,893)	33	-	-	-	(371,349)
Forgiveness of Community Disaster Loan (Note 6)	30,061,368	-	-	-	-	-	30,061,368
Total non-operating revenues	31,975,273	7,098,259	456,802	358,407	46,615,502	44,171,738	79,047,577
Income before capital contributions	18,543,868	(3,528,942)	20,487,939	12,637,418	371,497	797,873	39,403,304
Capital contributions	37,804,508	34,593,389	34,959,001	24,573,511	41,554,127	55,364,007	114,317,636
Change in net position	56,348,376	31,064,447	55,446,940	37,210,929	41,925,624	56,156,880	153,720,940
Net position, beginning of year	256,920,350	225,855,903	611,219,955	574,009,026	794,271,369	738,114,489	1,662,411,674
Net position, end of year	\$ 313,268,726	\$ 256,920,350	\$ 666,666,895	\$ 611,219,955	\$ 836,196,993	\$ 794,271,369	\$ 1,816,132,614
							\$ 1,662,411,674

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT BY DEPARTMENT
As of December 31, 2013 and 2012

	2013			
	Water	Sewer	Drainage	Total
Real estate rights, non depreciable	\$ 2,898,138	\$ 1,929,243	\$ 8,526,852	\$ 13,354,233
Power and pumping stations - buildings	63,131,396	44,931,883	258,927,465	366,990,744
Power and pumping stations - machinery	134,560,447	44,793,404	120,697,659	300,051,510
Distribution systems	228,861,614	-	-	228,861,614
Sewerage collection	-	455,438,197	-	455,438,197
Canals and subsurface drainage	-	-	391,473,632	391,473,632
Treatment plants	-	194,886,446	-	194,886,446
Connections and meters	65,268,811	29,030,384	-	94,299,195
Power transmission	9,297,848	5,736,005	13,153,702	28,187,555
General plant	119,411,456	82,043,071	63,810,091	265,264,618
General buildings	2,525,548	1,093,325	3,967,674	7,586,547
Total property, plant and equipment in service	625,955,258	859,881,958	860,557,075	2,346,394,291
Construction in progress	45,485,621	218,775,794	280,764,599	545,026,014
Total property, plant and equipment	671,440,879	1,078,657,752	1,141,321,674	2,891,420,305
Accumulated depreciation	304,336,346	214,222,257	265,023,951	783,582,554
Net property, plant and equipment	\$ 367,104,533	\$ 864,435,495	\$ 876,297,723	\$ 2,107,837,751

	2012			
	Water	Sewer	Drainage	Total
Real estate rights, non depreciable	\$ 2,898,138	\$ 1,929,243	\$ 8,526,852	\$ 13,354,233
Power and pumping stations - buildings	63,131,396	44,931,883	258,927,465	366,990,744
Power and pumping stations - machinery	134,559,446	42,753,266	120,328,900	297,641,612
Distribution systems	222,536,899	-	-	222,536,899
Sewerage collection	-	455,694,460	-	455,694,460
Canals and subsurface drainage	-	-	386,968,482	386,968,482
Treatment plants	-	194,704,036	-	194,704,036
Connections and meters	65,123,259	29,012,925	-	94,136,184
Power transmission	9,297,848	5,736,005	13,153,702	28,187,555
General plant	119,435,377	82,067,649	63,831,100	265,334,126
General buildings	2,525,548	1,093,325	3,967,674	7,586,547
Total property, plant and equipment in service	619,507,911	857,922,792	855,704,175	2,333,134,878
Construction in progress	14,380,846	157,562,371	206,376,182	378,319,399
Total property, plant and equipment	633,888,757	1,015,485,163	1,062,080,357	2,711,454,277
Accumulated depreciation	289,267,573	202,706,298	250,948,483	742,922,354
Net property, plant and equipment	\$ 344,621,184	\$ 812,778,865	\$ 811,131,874	\$ 1,968,531,923

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF BONDS PAYABLE
For the year ended December 31, 2013

	Annual Interest Rates	Interest Payment Dates	Issue Date	Final Maturity Date	Outstanding as of 12/31/2012	New Debt in 2013	Payments in 2013	Outstanding as of 12/31/2013
Drainage System Bonds, 1998 (9-Mills)	4.84%	(6/1;12/1)	12/01/98	12/01/18	\$ 4,040,000	\$ -	\$ 595,000	\$ 3,445,000
Drainage System Bonds, 2002 (9-Mills)	4.46%	(6/1;12/1)	10/01/02	12/01/22	13,590,000	-	830,000	12,760,000
					17,630,000	-	1,425,000	16,205,000
Sewer Revenue Bonds, 1997	5.36%	(6/1;12/1)	06/01/97	06/01/17	10,875,000	-	1,940,000	8,935,000
Sewer Revenue Bonds, 1998	4.82%	(6/1;12/1)	12/01/98	06/01/18	10,215,000	-	1,510,000	8,705,000
Sewer Revenue Bonds, 2000	5.48%	(6/1;12/1)	05/01/00	06/01/20	14,505,000	-	1,465,000	13,040,000
Sewer Revenue Bonds, 2000-B	5.43%	(6/1;12/1)	11/01/00	06/01/20	10,995,000	-	1,120,000	9,875,000
Sewer Revenue Bonds, 2001	5.02%	(6/1;12/1)	12/01/01	06/01/21	18,370,000	-	1,685,000	16,685,000
Sewer Revenue Bonds, 2002	4.36%	(6/1;12/1)	12/01/02	06/01/22	35,950,000	-	2,790,000	33,160,000
Sewer Revenue Bonds, 2003	3.94%	(6/1;12/1)	12/03/03	06/01/23	3,530,000	-	260,000	3,270,000
Sewer Revenue Bonds, 2004	4.26%	(6/1;12/1)	12/01/04	06/01/24	22,885,000	-	1,485,000	21,400,000
Sewer Revenue Bonds, 2009	6.68%	(6/1;12/1)	12/01/09	06/01/29	21,260,000	-	765,000	20,495,000
Sewer Revenue Bonds, 2011	0.95%	(1/1-12/1)	12/01/11	12/01/32	7,471,505	1,359,898	411,000	8,420,403
					156,056,505	1,359,898	13,431,000	143,985,403
Water Revenue Bonds, 1998	4.82%	(6/1;12/1)	12/01/98	12/01/18	6,535,000	-	965,000	5,570,000
Water Revenue Bonds, 2002	4.57%	(6/1;12/1)	10/01/02	12/01/22	23,555,000	-	1,470,000	22,085,000
LADHH Loan Revenue Bonds, 2010A	2.95%	(2/1)	02/11/10	02/01/30	746,003	-	746,003	-
LADHH Loan Revenue Bonds, 2010B	2.95%	(2/1)	02/11/10	02/01/30	1,252,633	72,232	1,321,000	3,865
					32,088,636	72,232	4,502,003	27,658,865
TOTAL					\$ 205,775,141	\$ 1,432,130	\$ 19,358,003	\$ 187,849,268

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
DEBT SERVICE AND DEBT SERVICE RESERVE
REQUIRED BY BOND RESOLUTION
For the year ended December 31, 2013

	Debt Service Account					Debt Service Reserve Accounts			
	Water Revenue Bonds	Sewer Revenue Bonds	Drainage Revenue Bonds	LADHH Loan Revenue Bonds	LADEQ Revenue Bonds	Total	Water Revenue Bonds	Sewer Revenue Bonds	Total
Cash and investments at beginning of year	\$ 1,268,347	\$ 11,488,978	\$ 95,787	\$ 2,220,639	\$ 20,628	\$ 15,094,379	\$ 3,928,380	\$ 16,164,124	\$ 20,092,504
Cash receipts:									
Transfers from operating cash									
and debt service reserve	4,567,547	27,340,907	2,619,040	241	-	34,527,735	-	-	-
Excess debt service reserve fund applied to									
BANS 2006 Maturity	9,470	40,604	-	1,576	-	51,650	-	-	-
Total cash and investments	5,845,364	38,870,489	2,714,827	2,222,456	20,628	49,673,764	3,928,380	16,164,124	20,092,504
Cash disbursements:									
Principal and interest payments,	4,577,799	27,032,341	2,624,052	2,126,811	-	36,361,003	-	-	-
cost of issuance and transfers									
Total cash disbursements	4,577,799	27,032,341	2,624,052	2,126,811	-	36,361,003	-	-	-
Cash and investments at end of year	\$ 1,267,565	\$ 11,838,148	\$ 90,775	\$ 95,645	\$ 20,628	\$ 13,312,761	\$ 3,928,380	\$ 16,164,124	\$ 20,092,504

See independent auditors' report.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
CHANGES IN SELF-INSURANCE LIABILITIES BY DEPARTMENT
For the year ended December 31, 2013

	Beginning of Year	Current Year Claims and Estimate Change	Payments	End of Year
WATER				
Short-term:				
Workers' compensation	\$ 457,645	\$ 785,797	\$ 673,691	\$ 569,751
Health insurance	738,165	5,564,229	5,526,563	775,831
General liability	2,580,177	113,241	56,106	2,637,312
Total short-term	3,775,987	6,463,267	6,256,360	3,982,894
Long-term:				
Workers' compensation	744,692	(106,823)	-	637,869
Total long-term	744,692	(106,823)	-	637,869
Total	\$ 4,520,679	\$ 6,356,444	\$ 6,256,360	\$ 4,620,763
SEWERAGE				
Short-term:				
Workers' compensation	\$ 457,643	\$ 892,123	\$ 780,017	\$ 569,749
Health insurance	738,165	4,739,381	4,701,714	775,832
General liability	2,524,280	(866,560)	(1,010)	1,658,730
Total short-term	3,720,088	4,764,944	5,480,721	3,004,311
Long-term:				
Workers' compensation	744,692	(106,823)	-	637,869
Total long-term	744,692	(106,823)	-	637,869
Total	\$ 4,464,780	\$ 4,658,121	\$ 5,480,721	\$ 3,642,180
DRAINAGE				
Short-term:				
Workers' compensation	\$ 457,644	\$ 892,127	\$ 780,021	\$ 569,750
Health insurance	738,166	3,821,742	3,784,076	775,832
General liability	2,285,223	518,993	136,209	2,668,007
Total short-term	3,481,033	5,232,862	4,700,306	4,013,589
Long-term:				
Workers' compensation	744,692	(106,823)	-	637,869
Total long-term	744,692	(106,823)	-	637,869
Total	\$ 4,225,725	\$ 5,126,039	\$ 4,700,306	\$ 4,651,458
TOTAL				
Short-term:				
Workers' compensation	\$ 1,372,932	\$ 2,570,047	\$ 2,233,729	\$ 1,709,250
Health insurance	2,214,496	14,125,352	14,012,353	2,327,495
General liability	7,389,680	(234,326)	191,305	6,964,049
Total short-term	10,977,108	16,461,073	16,437,387	11,000,794
Long-term:				
Workers' compensation	2,234,076	(320,469)	-	1,913,607
Total long-term	2,234,076	(320,469)	-	1,913,607
Total	\$ 13,211,184	\$ 16,140,604	\$ 16,437,387	\$ 12,914,401

See independent auditors' report.

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The ferrator system at the East Bank Sewage Treatment Plant is designed to fully disinfect the effluent prior to discharge to the wetlands, with no residual effects or by-products. This new technology is being used in a pilot trial with the wetlands. In the foreground is the current effluent channel where all of the water that is currently treated is disinfected prior to discharge to the Mississippi River. Behind the Ferrator is a Final Clarifier that will be the source of water used in the first phase of the Wetlands Assimilation project, a partnership with Orleans and St. Bernard Parishes.



The City's aging infrastructure, soft soils, Katrina damage and the high number of tree roots result in numerous breaks in underground water, sewerage and drainage pipes and mains. And, even though the Sewerage and Water Board has crews on duty 24 hours a day to repair thousands of broken pipes, the number of new breaks continue to rise. A good example, shown here, is the repair of a break in a major 30-inch water main in the Carrollton area which also supplies water to other parts of the City. Complicating the repair of the 80-year-old pipe was the difficulty identifying other utility lines in the area and having them shut down. Because of the age and design of the old pipe, the Board's own Machine Shop of the Facilities Maintenance Department made sleeves and fittings to match with the old main. Their work shortened the repair time and saved money for customers.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SUMMARY OF STATISTICAL INFORMATION
December 31, 2013
(Unaudited)

This part of the Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosure, and required supplementary information says about the Board's overall financial health.

Financial Trends:

These schedules contain trend information to help the reader understand how the Board's financial performance and well-being have changed over time.

Revenue Capacity:

These schedules contain information to help the reader assess the Board's most significant local revenue source, the property tax.

Debt Capacity:

These schedules present information to help the reader assess the affordability of the Board's current levels of outstanding debt and the Board's ability to issue additional debt in the future.

Demographic and Economic Information:

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.

Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the Board's financial report relates to the services the Board provides and the activities it performs.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited - accrual basis of accounting)

	Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-type activities										
Net investment in capital assets	\$ 1,920,196,710	\$ 1,762,389,823	\$ 1,604,703,877	\$ 1,481,320,632	\$ 1,367,130,463	\$ 1,306,085,162	\$ 1,265,078,240	\$ 1,191,197,682	\$ 1,092,139,700	\$ 1,085,354,440
Restricted for debt service	33,405,265	35,186,883	33,137,542	32,774,880	30,040,670	32,075,521	27,986,164	26,803,911	21,768,747	28,817,876
Unrestricted	(137,440,053)	(135,165,032)	(99,862,001)	(111,252,743)	(81,717,627)	(89,154,640)	(7,414,567)	3,614,224	41,752,104	65,900,450
Total business-type activities net position	\$ 1,816,161,922	\$ 1,662,411,674	\$ 1,537,979,418	\$ 1,402,842,769	\$ 1,315,453,506	\$ 1,249,006,043	\$ 1,285,649,837	\$ 1,221,615,817	\$ 1,155,660,551	\$ 1,180,072,766

Source: Audited Comprehensive Annual Financial Reports - Information available for nine years

SEWERAGE AND WATER BOARD OF NEW ORLEANS
CHANGES IN NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited - accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Operating revenues:										
Sales of water and delinquent fees	\$ 64,398,609	\$ 60,256,304	\$ 59,890,312	\$ 55,079,772	\$ 50,677,054	\$ 43,995,732	\$ 37,795,522	\$ 33,799,760	\$ 38,727,266	\$ 54,234,144
Sewerage service charges	78,535,785	71,407,835	70,338,076	69,534,779	66,102,946	61,877,246	68,304,547	62,657,636	57,329,963	72,252,114
Planning inspection and license fees	643,036	687,806	758,072	746,426	484,448	590,604	542,340	590,242	175,260	223,147
Other revenue	5,119,368	4,626,276	8,581,123	4,702,753	3,814,564	2,487,983	2,927,070	3,290,683	3,171,703	3,343,868
Total operating revenues	148,696,798	136,978,221	139,587,583	130,063,730	121,079,012	108,951,565	109,569,479	100,338,321	99,404,192	130,063,273
Operating Expenses:										
Power and pumping	12,572,620	11,951,746	11,787,614	12,606,851	12,950,788	14,178,641	13,041,954	11,576,640	11,818,104	22,334,434
Treatment	18,143,049	18,906,540	18,081,523	19,029,752	19,910,557	18,243,782	16,280,975	13,518,870	13,796,515	17,131,922
Transmission and distribution	23,323,900	26,013,713	27,216,035	15,915,361	21,466,523	18,994,209	19,832,226	18,432,793	18,432,531	20,846,681
Customer accounts	3,425,934	3,334,652	3,369,643	3,314,887	3,044,936	2,719,594	2,290,092	1,910,612	2,413,631	2,625,751
Customer service	3,464,197	3,332,300	3,320,100	3,386,338	3,417,239	3,323,696	2,670,145	2,665,250	2,645,604	2,855,631
Administration and general	17,333,945	15,879,736	16,054,154	16,060,032	13,504,125	15,173,190	14,899,028	13,714,644	12,130,773	14,978,964
Payroll related	34,928,822	33,980,859	34,770,439	33,616,025	33,085,953	31,549,622	28,259,815	17,914,694	19,780,248	18,794,864
Maintenance of general plant	27,647,127	24,480,560	25,185,237	30,723,060	24,965,819	33,613,093	27,151,645	23,552,712	28,351,895	11,059,712
Depreciation	43,648,267	39,011,955	34,772,279	35,216,611	34,692,628	31,546,017	25,377,733	28,703,469	39,187,670	38,600,928
Provision for doubtful accounts	2,052,096	1,676,511	867,460	4,855,325	889,811	(12,225,825)	12,613,283	22,355,906	6,582,465	2,718,176
Provision for claims	1,801,114	130,704	(4,680,454)	3,186,714	58,860	587,465	(2,448,965)	2,658,657	7,289,590	2,886,894
Total operating expenses	188,341,071	178,705,276	170,744,030	177,910,956	169,991,239	157,703,484	159,967,931	152,017,247	162,369,426	154,833,957
Operating Loss	(39,644,273)	(41,727,055)	(31,156,447)	(47,847,226)	(48,912,227)	(48,751,919)	(50,398,452)	(51,678,926)	(62,965,234)	(24,770,684)
Non-operating revenues (expenses):										
Two-mill tax	13,175,711	12,497,723	11,129,376	10,378,060	10,302,545	11,294,822	10,381,155	9,682,028	12,990,040	12,199,559
Three-mill tax	13,317,505	12,630,977	11,242,927	10,498,580	10,410,524	11,406,361	9,803,052	9,803,052	13,152,643	12,352,092
Six-mill tax	19,962,114	18,933,290	16,855,081	15,672,791	15,485,030	17,001,253	15,773,070	13,686,249	19,707,787	18,508,104
Nine-mill tax	494,106	278,394	316,079	333,795	371,006	515,735	443,122	634,321	631,818	744,322
Other taxes	2,054,492	7,624,526	11,479,664	9,367,940	19,373,185	(3,973)	1,771,188	35,013,143	9,338,528	-
Operating and maintenance grants	353,630	401,387	426,870	274,323	885,723	3,545,564	5,826,769	4,115,003	3,291,489	1,352,425
Interest income	(371,349)	(737,893)	(736,878)	(1,687,603)	(1,766,553)	(1,720,030)	205,995	2,303,397	(55,909,262)	-
Hurricane gain (loss)	30,061,368	-	-	41,438,410	-	-	(2,443,612)	(252,435)	(2,992)	-
Forgiveness of Community Disaster Loan	79,047,577	51,628,404	50,717,989	86,277,341	55,061,460	42,039,732	42,477,566	74,988,457	3,201,458	45,161,694
Total non-operating revenues (expenses)	39,403,304	9,901,349	19,561,542	38,430,115	6,149,233	(6,712,187)	(7,921,086)	23,209,531	(59,763,776)	20,391,010
Income (loss) before capital contributions	114,317,636	114,550,907	115,575,107	48,959,148	60,298,230	(29,931,607)	71,955,106	42,643,735	35,351,561	22,124,960
Capital contributions	153,720,940	124,432,256	135,136,649	87,389,263	66,447,463	(36,643,794)	64,034,020	65,955,266	(24,412,215)	42,515,970
Change in net position	1,662,411,674	1,537,979,418	1,402,842,769	1,315,453,506	1,249,006,043	1,285,649,837	1,221,615,817	1,155,660,551	1,180,072,766	1,137,556,796
Net position:										
Beginning of year	\$ 1,816,132,614	\$ 1,662,411,674	\$ 1,537,979,418	\$ 1,402,842,769	\$ 1,315,453,506	\$ 1,249,006,043	\$ 1,285,649,837	\$ 1,221,615,817	\$ 1,155,660,551	\$ 1,180,072,766
End of year										

Source: Audited Comprehensive Annual Financial Reports - Information available for nine years

SEWERAGE AND WATER BOARD OF NEW ORLEANS
REVENUE AND EXPENSES BY SOURCE
ENTERPRISE FUND
Last Ten Years
(Unaudited)

Revenues	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Charges for service	\$ 126,719,405	\$ 96,232,489	\$ 97,047,638	\$ 106,642,409	\$ 106,463,582	\$ 117,264,448	\$ 125,360,977	\$ 131,006,460	\$ 132,551,945	\$ 143,577,430
Dedicated taxes	43,059,755	45,850,470	33,171,329	36,667,784	39,702,436	36,198,099	36,549,431	39,227,384	44,061,990	46,455,330
Two-mill tax	5,192	1,407	3,699	120	-	-	1,045	4,870	-	-
Interest on investments	1,352,425	3,291,489	4,115,003	5,826,769	3,545,564	885,723	274,323	426,870	401,387	353,630
Other taxes and revenue	4,088,190	13,142,049	38,938,147	5,147,380	2,999,745	23,558,755	55,842,898	20,376,866	12,529,196	37,729,334
	<u>\$ 175,224,967</u>	<u>\$ 158,517,904</u>	<u>\$ 173,275,816</u>	<u>\$ 154,284,462</u>	<u>\$ 152,711,327</u>	<u>\$ 177,907,025</u>	<u>\$ 218,028,674</u>	<u>\$ 191,042,450</u>	<u>\$ 189,344,518</u>	<u>\$ 228,115,724</u>
Expenses	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Personnel services	\$ 52,956,446	\$ 58,322,684	\$ 49,118,747	\$ 61,421,931	\$ 68,605,280	\$ 74,540,678	\$ 72,725,464	\$ 73,834,142	\$ 74,358,288	\$ 75,998,997
Services and utilities	48,738,878	45,606,037	43,170,196	52,966,504	56,428,567	50,787,395	47,125,394	42,417,785	40,621,806	44,686,711
Materials and supplies	8,637,479	5,020,134	5,649,827	9,879,426	12,603,961	8,880,950	12,535,610	23,532,818	22,906,012	20,153,886
Depreciation and amortization	38,896,084	39,548,115	29,063,914	25,535,752	31,704,036	34,833,545	35,381,030	34,850,026	39,011,955	43,648,267
Provision for doubtful accounts	2,718,176	6,582,465	22,355,906	12,613,283	(12,225,825)	889,811	4,855,325	867,460	1,676,511	2,052,096
Provision for claims	2,886,894	7,289,990	2,658,657	(2,448,965)	587,465	58,860	3,186,714	(4,680,454)	130,704	1,801,114
Hurricane Loss	-	55,909,262	(2,303,397)	(205,995)	-	-	-	-	-	-
Interest	-	2,993	252,435	2,443,612	1,720,030	1,766,553	1,687,603	736,878	737,893	371,349
	<u>\$ 154,833,957</u>	<u>\$ 218,281,680</u>	<u>\$ 149,966,285</u>	<u>\$ 162,205,548</u>	<u>\$ 159,423,514</u>	<u>\$ 171,757,792</u>	<u>\$ 177,497,140</u>	<u>\$ 171,558,655</u>	<u>\$ 179,443,169</u>	<u>\$ 188,712,420</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited - amounts in thousands)

Fiscal Year	Net Assessed Value		Total Net Assessed Value	Total Estimated Actual Value (1)	Ratio of Total Net Assessed to Total Estimated Actual Value
	Real Estate	Personal Property			
2004	1,423,261	679,826	2,103,087	16,731,518	12.6%
2005	1,492,750	620,797	2,113,547	16,774,183	12.6%
2006	1,103,604	565,287	1,668,891	13,245,167	12.6%
2007	1,362,097	483,200	1,845,297	14,645,214	12.6%
2008	2,004,624	539,492	2,544,116	20,698,664	12.3%
2009	2,042,426	557,039	2,599,465	21,974,841	11.8%
2010	2,489,813	387,334	2,877,147	21,974,841	13.1%
2011	2,584,334	385,700	2,970,034	21,974,841	13.5%
2012	2,760,973	390,952	3,151,925	21,974,841	14.3%
2013	2,920,015	413,120	3,333,135	21,974,841 (2)	15.2%

Source: City of New Orleans

(1) Amounts are net of the homestead exemption.

(2) Latest date available for total estimated actual value is 2009.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Unaudited)

Number of Mills
(Per \$1,000 of assessed value)

Fiscal Year	City of New Orleans	Orleans		Algiers Levee District	Sewerage & Water Board of New Orleans	Orleans Parish School Board		Audubon Park & Zoo	Total
		Levee Board	Levee District Eastbank						
2004	78.59	12.76	0*	0***	22.59**	52.80	4.55		171.29
2005	78.59	12.76	0*	0***	22.59**	52.80	4.55		171.29
2006	89.89	12.76	0*	0***	22.59**	58.55	4.55		188.34
2007	82.39	12.76	0*	0***	22.59**	52.90	4.55		175.19
2008	61.34	0*	9.65	9.28	16.43**	38.47	3.31		129.20
2009	61.34	0*	10.95	12.76	16.03**	38.47	3.31		130.10
2010	64.31	0*	11.67	12.76	16.43**	44.12	3.31		140.93
2011	72.05	0*	11.67	12.76	16.43**	44.12	3.31		148.67
2012	72.05	0*	11.67	12.76	16.43**	43.60	3.31		148.15
2013	72.05	0*	11.67	12.36	16.43**	44.81	3.31		136.60

Source: City of New Orleans

*Special millage beginning in 2008 and no longer City-wide.

**3 mills adopted in 1967 expires in 2017

**6 mills adopted in 1978 expires in 2027

**9 mills adopted in 1982 expires in 2032

SEWERAGE AND WATER BOARD OF NEW ORLEANS
TEN LARGEST TAXPAYERS
December 31, 2013 and Ten Years Ago
(Unaudited)

Name of Taxpayer	Type of Business	2013 Assessed Value	Percentage of Total Assessed Value
Entergy Service	Utility	107,943,160	3.45%
Capital One Bank	Bank	48,490,500	1.55%
AT&T	Telephone Utility	44,074,250	1.41%
Marriott Hotel Properties	Hotel	29,944,200	0.96%
Harrah's Entertainment	Casino	28,806,030	0.92%
JP Morgan Chase Bank	Bank	21,448,700	0.69%
International Rivercenter	Shopping Mall; Hotel	18,523,840	0.59%
C S & M Associates	Commercial Real Estate	16,764,800	0.54%
Folgers Coffee	Coffee Distributor	15,856,300	0.51%
201 St. Charles Place	Commercial Real Estate	12,999,920	0.42%
		<u>\$ 344,851,700</u>	<u>11.04%</u>

Name of Taxpayer	Type of Business	Assessed Value	Percentage of Total Assessed Value
Entergy Service	Utility	\$ 75,365,530	4.16%
BellSouth Telecommunications	Telephone Utility	60,994,780	3.37%
Hibernia National Bank	Bank	42,610,750	2.35%
Bank One	Bank	32,623,813	1.80%
Whitney National Bank	Bank	24,145,763	1.33%
Harrah's Entertainment	Casino	23,945,540	1.32%
Tenet	Health & Hospital	18,318,865	1.01%
International River Center	Shopping Mall; Hotel	14,241,180	0.79%
Marriott Hotel Properties	Hotel	13,727,520	0.76%
C S & M Associates	Commerical Real Estate	11,462,858	0.63%
		<u>\$ 31,743,660</u>	<u>17.52%</u>

(*) The latest date available for the Ten Largest Taxpayers in the City of New Orleans is for the year ended December 31, 2002.

Source: City of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS
PROPERTY TAX
LEVIES AND COLLECTIONS BY THE CITY OF NEW ORLEANS
Last Ten Fiscal Years
(Unaudited - Amounts in Thousands)

Fiscal Year	Total Levied	Collected Through December 31, 2013		Balance Outstanding December 31, 2013		Collected during 2013	
		Amount	Percent	Amount	Percent	Amount	
Real Estate Taxes:							
2004	\$ 247,328	\$ 245,134	99.11	\$ 2,194	0.89	\$ 922	
2005	267,327	263,904	98.72	3,423	1.28	977	
2006	219,991	217,755	98.98	2,236	1.02	1,214	
2007	250,462	246,917	98.58	3,545	1.42	2,072	
2008	269,746	266,083	98.64	3,663	1.36	1,816	
2009	275,869	271,818	98.53	4,051	1.47	1,685	
2010	309,800	304,517	98.29	5,283	1.71	2,711	
2011	339,370	331,772	97.76	7,598	2.24	11,335	
2012	362,262	342,248	94.48	20,014	5.52	342,248	
2013	382,902	363,026	94.81	19,876	5.19	356,117	
Personal Property Taxes:							
2004	*	115,676	109,234	94.43	6,442	5.57	-
2005	*	106,354	100,809	94.79	5,545	5.21	-
2006		99,477	95,157	95.66	4,320	4.34	-
2007		82,046	77,967	95.03	4,079	4.97	-
2008		67,548	64,074	94.86	3,474	5.14	-
2009		69,935	66,541	95.15	3,394	4.85	117
2010		74,530	70,456	94.53	4,074	5.47	257
2011		78,996	75,000	94.94	3,996	5.06	796
2012		81,685	78,275	95.83	3,410	4.17	78,275
2013		87,058	84,410	96.96	2,648	3.04	84,144

* 2005 and prior personal property receivables were considered prescribed and no longer legally enforceable during 2012.

Source: City of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS
WATER AND SEWER RATES
Last Eight Fiscal Years
(Unaudited)

Year	Water					Sewer	
	Rate per 1,000 Gallons					Monthly Base Rate	Rate per 1,000 Gallons
	Monthly Base Rate	First 3,000 Gallons	Next 17,000 Gallons	Next 980,000 Gallons	All Gallons Over 1,000,000		
2006	\$ 3.50	\$ 2.31	\$ 2.31	\$ 2.07	\$ 1.59	\$ 11.60	\$ 4.04
2007	\$ 3.50	\$ 1.94	\$ 3.31	\$ 2.60	\$ 2.19	\$ 11.60	\$ 4.04
2008	\$ 3.50	\$ 2.35	\$ 4.01	\$ 3.15	\$ 2.65	\$ 11.60	\$ 4.04
2009	\$ 3.70	\$ 2.47	\$ 4.21	\$ 3.31	\$ 2.78	\$ 11.60	\$ 4.04
2010	\$ 3.90	\$ 2.59	\$ 4.42	\$ 3.48	\$ 2.92	\$ 11.60	\$ 4.04
2011	\$ 4.05	\$ 2.69	\$ 4.60	\$ 3.62	\$ 3.04	\$ 11.60	\$ 4.04
2012	\$ 4.05	\$ 2.69	\$ 4.60	\$ 3.62	\$ 3.04	\$ 11.60	\$ 4.04
2013	\$ 4.91	\$ 2.96	\$ 5.06	\$ 3.98	\$ 3.34	\$ 14.04	\$ 4.44

Note: Rates are based on 5/8" meter, which is the standard household meter size.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Eight Fiscal Years
 (Unaudited)

Fiscal Year	Personal Income (1) (in thousands)	Population (2)	Revenue Bonds	Special Tax Bonds	LDHH Bonds	Special Community Disaster Loan Payable	Debt Service Assistance Fund Loan	Capital Leases Payable	Total Debt	Percentage of Personal Income	Debt per Capita
2006	\$ 12,739,309	208,548	\$ 258,047,868	\$ 24,905,000	\$ -	\$ 46,011,566	\$ 40,494,073	\$ 2,760,672	\$ 372,219,179	3.42%	\$ 1,785
2007	\$ 14,831,565	288,113	\$ 246,907,968	\$ 23,835,000	\$ -	\$ 61,956,747	\$ 64,655,122	\$ 104,445	\$ 397,459,282	3.73%	\$ 1,380
2008	\$ 15,802,534	336,644	\$ 235,216,902	\$ 22,710,000	\$ -	\$ 61,956,747	\$ 77,460,393	\$ -	\$ 397,344,042	3.98%	\$ 1,180
2009	\$ 15,260,613	354,850	\$ 221,958,520	\$ 21,525,000	\$ -	\$ 61,956,747	\$ 77,460,393	\$ -	\$ 382,900,660	3.99%	\$ 1,079
2010	\$ 15,260,613	347,907	\$ 208,422,155	\$ 20,290,000	\$ 632,842	\$ 25,166,747	\$ 77,460,393	\$ -	\$ 331,972,137	4.60%	\$ 954
2011	\$ 15,260,613	360,740	\$ 194,330,103	\$ 18,990,000	\$ 1,503,834	\$ 25,166,747	\$ 77,465,247	\$ -	\$ 317,455,931	4.81%	\$ 880
2012	\$ 15,346,678	369,250	\$ 186,832,906	\$ 17,630,000	\$ 1,998,636	\$ 25,166,747	\$ 73,776,967	\$ -	\$ 305,405,256	5.03%	\$ 827
2013	\$ 15,888,893 (3)	378,715	\$ 172,192,129	\$ 16,205,000	\$ 3,865	\$ -	\$ 69,917,529	\$ -	\$ 258,318,523	6.15%	\$ 682

(1) Source: Bureau of Economic Analysis.

(2) Source: www.census.gov/popest.

(3) Most recent available is as of April 2013.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2013
(Unaudited)

	Net Outstanding Debt	Percentage Overlapping	Overlapping Debt
Direct debt:			
Sewerage and Water Board, net of debt service funds (tax bonds only)	\$ 16,205,000	100%	\$ 16,205,000
Overlapping debt:			
City of New Orleans	549,013,192	100%	549,013,192
Audubon Park Commission	26,035,000	100%	26,035,000
Orleans Parish School Board (1)	89,884,206	100%	89,884,206
Total overlapping debt	664,932,398	100%	664,932,398
Total direct and overlapping debt	\$ 681,137,398	100%	\$ 681,137,398

(1) The fiscal year of the Orleans Parish School Board ends on June 30th; overlapping debt is based on June 30, 2013 financial information.

WATER BONDS
Last Ten Fiscal Years
(Unaudited)

* Payments are based on future payments subsequent to the year of calculation.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
REVENUE BONDS DEBT SERVICE COVERAGE

SEWER BONDS

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Operating Revenue	Direct Operating Expenses	Net Revenue Available for Debt Services	Debt Service Requirements*			Coverage
				Principal	Interest	Total	
2004	72,434,733	39,459,105	32,975,628	6,715,000	10,343,878	17,058,878	1.93
2005	58,494,963	33,072,494	25,422,469	8,265,000	9,873,999	18,138,999	1.40
2006	63,907,388	33,435,068	30,472,320	8,685,000	9,453,651	18,138,651	1.68
2007	64,750,010	38,899,024	25,850,986	9,130,000	10,211,257	19,341,257	1.34
2008	70,836,988	42,135,587	28,701,401	15,035,000	3,326,538	18,361,538	1.56
2009	69,501,438	49,879,875	19,621,563	11,255,000	9,058,968	20,313,968	0.97
2010	87,569,727	44,361,297	43,208,430	11,815,000	8,435,057	20,250,057	2.13
2011	74,173,489	43,173,641	30,999,848	12,400,000	7,863,432	20,263,432	1.53
2012	72,399,088	44,869,796	27,529,292	13,431,000	7,282,082	20,713,082	1.33
2013	80,146,600	45,351,391	34,795,209	14,110,000	6,616,719	20,726,719	1.68

SEWERAGE AND WATER BOARD OF NEW ORLEANS
DEMOGRAPHIC STATISTICS
Last Eight Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2) (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate (3)</u>
2006	208,548	\$ 12,739,309	\$ 61,086	4.30%
2007	288,113	\$ 14,831,565	\$ 51,478	3.50%
2008	336,644	\$ 15,802,534	\$ 46,941	4.40%
2009	354,850	\$ 15,260,613	\$ 35,507	6.80%
2010	347,907	\$ 15,260,613	\$ 35,507	8.50%
2011	360,740	\$ 15,260,613	\$ 38,578	7.30%
2012	369,250	\$ 15,346,678	\$ 41,562	5.50%
2013	378,715	\$ 15,888,893 (4)	\$ 41,955	4.20%

(1) Source: www.census.gov/popest/

(2) Source: Estimates- Bureau of Economic Analysis.

(3) Source: U.S. Bureau of Labor Statistics.

(4) Most recent available is as of April 2013.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
NEW ORLEANS AREA PRINCIPAL EMPLOYERS
 Last Ten Fiscal Years
 (Unaudited)

	2004 *	2005 *	2006	Rank / Number of Employees							2011	2012	(1)
				2007	2008	2009	2010						2013
Acme Truck Line Inc.				8 / 250	10 / 2,000	7 / 2,000	7 / 2,000		8 / 2,500				
Al Copeland Investments									9 / 2,200			9 / 2,000	
Bally's Casino Lakeshore Resort													
Boh Bros. Construction			9 / 790	6 / 781	9 / 2,150	6 / 2,150	9 / 1,500						
Boombtown Casino Westbank					5 / 3,500							8 / 2,150	
Capital One Bank N.A.													
City of New Orleans						8 / 2,000	8 / 2,000					10 / 2,000	
Dow Chemical Company					6 / 3,150							5 / 3,150	
East Jefferson General Hospital					8 / 2,200	5 / 2,200	5 / 2,200		7 / 2,700			7 / 2,200	7 / 2,700
Harrah's New Orleans Casino			3 / 4,500			10 / 1,400	10 / 1,400						
Hilton New Orleans													
Hope Haven Center				10 / 150									
Houma Industries				9 / 160									
JCC Holding Co. LLC			4 / 4,000										
Lockheed Martin Manned Space Systems			5 / 2,000	2 / 2,832	7 / 2,832	4 / 2,832	4 / 2,832		2 / 7,000			7 / 2,800	2 / 7,000
LSU Health Sciences Center New Orleans					3 / 5,000							3 / 5,000	
Meadowcrest Hospital													
Methodist Hospital													
NASA Michoud									10 / 2,000				9 / 2,000
North Oaks Health System													7 / 2,700
Northrup Grumman Avondale			1 / 6,000	1 / 5,400	2 / 5,400	2 / 5,400	2 / 5,400		3 / 6,000			2 / 5,400	3 / 6,000
Ochsner Medical Institutions / Health System			6 / 2,000		1 / 9,107	1 / 9,107	1 / 9,107		1 / 9,800			1 / 9,100	1 / 9,100
Regional Transit Authority			10 / 750	7 / 750									
Superior Energy Services, Inc.				5 / 1,165									
Textron Marine & Land Systems			2 / 5,000		4 / 4,410	3 / 4,410	3 / 4,410		4 / 5,000			4 / 4,400	4 / 5,000
Tulane University									6 / 3,114			6 / 2,900	6 / 3,114
University of New Orleans									5 / 4,000				5 / 4,000
US Post Office													
USDA, National Finance Center			8 / 1250	4 / 1,300									
West Jefferson Medical Center			7 / 1,904	3 / 1,654									10 / 1,904

(1) Source: Greater New Orleans Inc.

* These years are unavailable.

SEWERAGE AND WATER BOARD OF NEW ORLEANS
CAPITAL EXPENDITURES BY DEPARTMENT
ENTERPRISE FUND
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Water (1)</u>	<u>Sewer (1)</u>	<u>Drainage (1)</u>	<u>Total</u>
2004	\$ 15,772,218	\$ 67,424,755	\$ 38,407,889	\$ 121,604,862
2005	\$ 10,380,889	\$ 46,550,580	\$ 23,709,553	\$ 80,641,022
2006	\$ 36,481,683	\$ 49,891,752	\$ 19,515,232	\$ 105,888,667
2007	\$ 19,053,142	\$ 56,093,058	\$ 16,250,996	\$ 91,397,196
2008	\$ 19,938,659	\$ 25,608,236	\$ 28,592,805	\$ 74,139,700
2009	\$ 22,465,931	\$ 56,010,946	\$ 47,185,424	\$ 125,662,301
2010	\$ 32,248,119	\$ 58,682,400	\$ 51,465,065	\$ 142,395,584
2011	\$ 20,374,785	\$ 53,662,611	\$ 66,821,905	\$ 140,859,301
2012	\$ 33,888,620	\$ 60,658,231	\$ 90,435,159	\$ 184,982,010
2012	\$ 37,552,122	\$ 63,172,589	\$ 79,811,759	\$ 180,536,470

(1) Includes contributed assets

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
December 31, 2013
(Unaudited)

		Water Revenue Bonds		
		Series 1998	Series 2002	All Bond Issues
2014	Principal	1,015,000	1,530,000	2,545,000
	Interest	269,793	1,104,250	1,374,043
2015	Principal	1,060,000	1,595,000	2,655,000
	Interest	221,580	1,027,750	1,249,330
2016	Principal	1,110,000	1,665,000	2,775,000
	Interest	170,700	948,000	1,118,700
2017	Principal	1,165,000	1,740,000	2,905,000
	Interest	116,865	864,750	981,615
2018	Principal	1,220,000	1,820,000	3,040,000
	Interest	59,780	777,750	837,530
2019	Principal		3,195,000	3,195,000
	Interest		686,750	686,750
2020	Principal		3,345,000	3,345,000
	Interest		527,000	527,000
2021	Principal		3,510,000	3,510,000
	Interest		359,750	359,750
2022	Principal		3,685,000	3,685,000
	Interest		184,250	184,250
Total Principal		5,570,000	22,085,000	27,655,000
Total Interest		838,718	6,480,250	7,318,968
Total Future Debt Payments		<u>\$ 6,408,718</u>	<u>\$ 28,565,250</u>	<u>\$ 34,973,968</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
December 31, 2013
(Unaudited)

	Series 1997	Series 1998	Series 2000A	Series 2000B	Series 2001	Series 2002	Series 2003	Series 2004	Series 2009	Series 2011	All Bond Issues
2014 Principal	2,050,000	1,385,000	1,555,000	1,185,000	1,760,000	2,945,000	270,000	1,545,000	800,000	415,000	14,110,000
Interest	426,884	388,165	669,228	504,925	798,140	1,584,375	126,611	880,156	1,206,463	37,872	6,622,819
2015 Principal	2,170,000	1,655,000	1,645,000	1,255,000	1,840,000	3,110,000	280,000	1,605,000	845,000	419,000	14,824,000
Interest	313,200	310,801	583,228	440,858	709,940	1,433,000	116,676	809,431	1,164,281	36,024	5,917,440
2016 Principal	2,290,000	1,735,000	1,745,000	1,325,000	1,930,000	3,280,000	290,000	1,680,000	890,000	422,000	15,587,000
Interest	192,780	228,791	492,122	371,825	616,610	1,273,250	106,091	743,731	1,117,625	34,139	5,176,964
2017 Principal	2,425,000	1,870,000	1,850,000	1,400,000	2,020,000	3,460,000	305,000	1,755,000	940,000	427,000	16,402,000
Interest	65,475	141,000	394,350	297,350	517,860	1,104,750	94,672	675,031	1,066,713	32,240	4,389,640
2018 Principal		1,910,000	1,960,000	1,480,000	2,120,000	3,650,000	315,000	1,835,000	995,000	431,000	14,696,000
Interest		47,750	289,575	218,350	414,360	927,000	82,463	603,231	1,011,669	30,318	3,624,716
2019 Principal			2,080,000	1,570,000	2,225,000	3,850,000	330,000	1,915,000	1,055,000	435,000	13,460,000
Interest			178,475	134,475	304,344	739,500	69,563	527,034	951,413	28,379	2,933,182
2020 Principal			2,205,000	1,660,000	2,335,000	4,060,000	345,000	2,000,000	1,120,000	439,000	14,164,000
Interest			60,637	45,650	187,494	541,750	55,847	445,038	886,163	26,421	2,249,000
2021 Principal					2,455,000	4,285,000	360,000	2,100,000	1,190,000	443,000	10,833,000
Interest					63,830	333,125	41,081	356,600	816,863	24,446	1,635,945
2022 Principal						4,520,000	380,000	2,210,000	1,265,000	447,000	8,822,000
Interest						113,000	25,356	262,319	743,213	22,452	1,166,340
2023 Principal							395,000	2,320,000	1,345,000	451,000	4,511,000
Interest							8,641	161,775	664,913	20,440	855,768
2024 Principal								2,435,000	1,425,000	456,000	4,316,000
Interest								54,788	581,813	18,412	655,013
2025 Principal									1,515,000	460,000	1,975,000
Interest									491,719	16,360	508,079
2026 Principal									1,615,000	464,000	2,079,000
Interest									393,906	14,290	408,196
2027 Principal									1,720,000	469,000	2,189,000
Interest									289,688	12,202	301,890
2028 Principal									1,830,000	473,000	2,303,000
Interest									178,750	10,090	188,840
2029 Principal									1,945,000	478,000	2,423,000
Interest									60,782	7,962	68,744
2030 Principal										482,000	482,000
Interest										5,812	5,812
2031 Principal										487,000	487,000
Interest										3,642	3,642
2032 Principal										322,403	322,403
Interest										1,450	1,450
Total Principal	8,935,000	8,705,000	13,040,000	9,875,000	16,685,000	33,160,000	3,270,000	21,400,000	20,495,000	8,420,403	145,985,403
Total Interest	998,339	1,116,507	2,667,615	2,013,633	3,612,578	8,049,750	772,001	5,519,134	11,625,970	382,951	36,713,478
Total Future Debt Payments	\$ 9,933,339	\$ 9,821,507	\$ 15,707,615	\$ 11,888,633	\$ 20,297,578	\$ 41,209,750	\$ 3,997,001	\$ 26,919,134	\$ 32,120,970	\$ 8,803,354	\$ 180,698,881

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
December 31, 2013
(Unaudited)

		Drainage Special Tax Bonds		
		Series 1998	Series 2002	All Bond Issues
2014	Principal	625,000	865,000	1,490,000
	Interest	170,018	560,018	730,036
2015	Principal	655,000	900,000	1,555,000
	Interest	140,018	525,418	665,436
2016	Principal	685,000	940,000	1,625,000
	Interest	108,250	489,418	597,668
2017	Principal	720,000	985,000	1,705,000
	Interest	74,000	450,878	524,878
2018	Principal	760,000	1,030,000	1,790,000
	Interest	38,000	38,000	76,000
2019	Principal		1,870,000	1,870,000
	Interest		365,218	365,218
2020	Principal		1,960,000	1,960,000
	Interest		282,938	282,938
2021	Principal		2,055,000	2,055,000
	Interest		194,738	194,738
2022	Principal		2,155,000	2,155,000
	Interest		100,204	100,204
Total Principal		3,445,000	12,760,000	16,205,000
Total Interest		530,286	3,006,830	3,537,116
Total Future Debt Payments		<u>\$ 3,975,286</u>	<u>\$ 15,766,830</u>	<u>\$ 19,742,116</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SCHEDULE OF FUTURE DEBT PAYMENTS
December 31, 2013
(Unaudited)

		All Departments			
		Water	Sewer	Drainage	Total
2014	Principal	2,545,000	14,110,000	1,490,000	18,145,000
	Interest	1,374,043	6,622,819	730,036	8,726,897
2015	Principal	2,655,000	14,824,000	1,555,000	19,034,000
	Interest	1,249,330	5,917,440	665,436	7,832,206
2016	Principal	2,775,000	15,587,000	1,625,000	19,987,000
	Interest	1,118,700	5,176,964	597,668	6,893,332
2017	Principal	2,905,000	16,402,000	1,705,000	21,012,000
	Interest	981,615	4,389,640	524,878	5,896,133
2018	Principal	3,040,000	14,696,000	1,790,000	19,526,000
	Interest	837,530	3,624,716	76,000	4,538,246
2019	Principal	3,195,000	13,460,000	1,870,000	18,525,000
	Interest	686,750	2,933,182	365,218	3,985,150
2020	Principal	3,345,000	14,164,000	1,960,000	19,469,000
	Interest	527,000	2,249,000	282,938	3,058,937
2021	Principal	3,510,000	10,833,000	2,055,000	16,398,000
	Interest	359,750	1,635,945	194,738	2,190,432
2022	Principal	3,685,000	8,822,000	2,155,000	14,662,000
	Interest	184,250	1,166,340	100,208	1,450,797
2023	Principal		4,511,000		4,511,000
	Interest		855,768		855,768
2024	Principal		4,316,000		4,316,000
	Interest		655,012		655,012
2025	Principal		1,975,000		1,975,000
	Interest		508,079		508,079
2026	Principal		2,079,000		2,079,000
	Interest		408,196		408,196
2027	Principal		2,189,000		2,189,000
	Interest		301,890		301,890
2028	Principal		2,303,000		2,303,000
	Interest		188,840		188,840
2029	Principal		2,423,000		2,423,000
	Interest		68,743		68,743
2030	Principal		482,000		482,000
	Interest		5,812		5,812
2031	Principal		487,000		487,000
	Interest		3,642		3,642
2032	Principal		322,403		322,403
	Interest		1,450		1,450
Total Principal		27,655,000	143,985,403	16,205,000	187,845,403
Total Interest		7,318,968	36,713,478	3,537,116	47,569,562
Total Future Debt Payments		<u>\$ 34,973,968</u>	<u>\$ 180,698,881</u>	<u>\$ 19,742,116</u>	<u>\$ 235,414,965</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS
PROPERTY VALUE, NEW CONSTRUCTION AND BANK DEPOSITS
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	New Commercial Construction (1)		New Residential Construction (1)		Bank deposits (2)	Estimated actual property value (3)
	Number of units	Value (in thousands)	Number of units	Value (in thousands)	(in thousands)	(in thousands)
2004	1,397	354,716	2,576	167,353	9,416,433	16,731,518
2005	176	329,401	555	76,400	8,951,961	16,774,183
2006	473	139,866	667	95,552	11,252,684	13,245,167
2007	2,044	506,281	1,427	182,729	10,062,454	14,645,214
2008	1,929	550,895	1,215	160,387	10,553,556	20,698,664
2009	364	220,748	1,862	227,714	10,480,561	21,974,841
2010	349	549,906	1,102	160,331	12,175,831	
2011	365	266,981	1,047	161,875	10,024,118	
2012					10,862,390	
2013					15,738,913	

(1) City of New Orleans (2011 latest year for which information is available).

(2) Summary of Deposits (as of June 30, 2013) - bank branches located in New Orleans, Federal Depository Insurance Corporation.

(3) Source: City of New Orleans - Latest date available 2009

SEWERAGE AND WATER BOARD OF NEW ORLEANS
CAPITAL ASSET STATISTICS BY FUNCTION
Last Eight Fiscal Years
(Unaudited)

	Year							
	2006	2007	2008	2009	2010	2011	2012	2013
Water:								
Water lines (miles)	1,582	1,583	1,586	1,587	1,590	1,597	1,599	1,805
Water manholes	29,576	29,632	29,673	29,741	29,957	30,150	30,194	30,297
Water valves	29,219	29,246	29,255	29,277	29,366	29,611	29,521	29,629
Fire hydrants	22,771	22,780	22,785	22,894	22,989	23,045	23,078	23,099
Sewer:								
Sewers lines (miles)	1,486	1,503	1,507	1,512	1,518	1,519	1,520	1,536
Sewer manholes	22,829	22,922	22,974	22,998	23,047	22,977	22,983	22,987

SEWERAGE AND WATER BOARD OF NEW ORLEANS
NUMBER OF ACTIVE EMPLOYEES
Last Seven Fiscal Years
(Unaudited)

<u>Year</u>	<u>Number of Active Employees</u>
2013	1025
2012	991
2011	994
2010	974
2009	964
2008	940
2007	899

Source: Sewerage and Water Board of New Orleans.

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This \$1.8 million construction of the "Site Relocation Facility at Central Yard" is an example of the continuous progress in restoration and rebuilding of the board's facilities from the impact of Hurricane Katrina. This building will accommodate the personnel and activity of Garage I and Garage II while renovations are occurring. When hurricane-damaged renovations are completed for both Garages I & II, the personnel and activity will move back into their respective facilities. The Body Shop will then be moved into the Site Relocation Facility on a permanent basis. The old Body Shop will be demolished and converted into an additional Employee Parking Lot for Central Yard. Garage I is where crews perform mechanical repairs on the Board's small vehicles. Garage II is where mechanical repairs on heavy equipment are performed. The Board has saved millions of dollars over the years by doing its own mechanical and body work on its fleet of vehicles.



Pumps and a generator are being installed at Drainage Pumping Station No. 5 to ensure the station's operability during hurricanes, rain storms and high water events. The pumps will be housed in a new elevated hurricane-proof structure. A 60 Hz, 3-megawatt generator is being installed to provide back up power, should a pump fail or if commercial power is lost. The \$26 million job, paid for by the U.S. Army Corps of Engineers, is about 50% complete. Drainage Pumping Station No. 5 is located on the Eastern side of the Industrial Canal, on Florida Avenue.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2013 ACTUAL CAPITAL EXPENDITURES

WATER DEPARTMENT

C.P.# WATERWORKS

110	Normal Extension & Replacement	\$	1,754,049.62
156	Advance Water Treatment		76,030.55
175	Water Hurricane Recovery Bonds		25,876,081.67
TOTAL WATERWORKS		\$	27,706,161.84

WATER DISTRIBUTION

214	Normal Extension & Replacement	\$	1,137,597.04
215	Rehabilitation - Mains, Hydrants and Services		1,007.91
216	Water System Replacement Program		414,353.32
239	Mains DPW Contracts		64,584.52
TOTAL WATER DISTRIBUTION		\$	1,617,542.79

GENERAL BUDGET

600	Water Share of Power Projects	\$	2,061,555.01
800	Water Share of General Budget Items		4,825,611.36
GENERAL BUDGET		\$	6,887,166.37
TOTAL WATER DEPARTMENT		\$	36,210,871.00

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2013 ACTUAL CAPITAL EXPENDITURES

SEWERAGE DEPARTMENT

<u>C.P.#</u>	<u>SEWERAGE SYSTEM</u>		
317	Normal Extensions & Replacement of Gravity Mains	\$	1,983,167.10
318	Rehabilitation Gravity Sewer System		4,393,225.16
326	Extensions & Replacement to Sewer Pumping Stations		89,120.87
339	Main in Streets Dept. Contracts		49,264.95
340	Sewerage Hurricane Recovery Bonds (FEMA)		183,260.00
348	Normal Extensions & Replacements		1,900,430.25
368	Wetlands Assimilation Project		745,826.03
375	Sewerage Hurricane Recovery Bonds		37,816,130.42
	TOTAL SEWERAGE SYSTEM	\$	47,160,424.78
 <u>POWER PROJECTS AND GENERAL BUDGET</u>			
600	Sewerage Share of Power Projects	\$	782,863.54
700	Sewer Reserve for Emergencies		2,727,066.35
800	Sewerage Share of General Budget Items		3,723,534.04
	TOTAL GENERAL BUDGET	\$	7,233,463.93
	TOTAL SEWERAGE DEPARTMENT	\$	54,393,888.71

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2013 ACTUAL CAPITAL EXPENDITURES

DRAINAGE DEPARTMENT

<u>C.P.#</u>	<u>CANALS</u>	
418	Normal Extension & Replacements	\$ 3,750.00
439	Major Drainage Participation in DPW Projects	94,499.42
466	Louisiana Avenue Canal (SELA)	323,420.00
471	SELA Program Management	1,365,712.42
478	S. Claiborne-Lowerline to Monticello Street	736,490.27
486	Napoleon Avenue Canal Improvements (SELA-B)	3,761,208.66
497	Florida Ave. Canal - DPS#19 to Peoples Ave. (SELA-B)	428,810.60
498	Dwyer Intake Canal (St. Charles to Dwyer (DPS)(SELA-A)	610,424.61
499	Jefferson Avenue Canal	<u>7,832,460.65</u>
	TOTAL DRAINAGE CANALS	\$ 15,156,776.63
	<u>PUMPING STATIONS</u>	
511	Normal Extension & Rep./Stations	\$ 1,290,568.21
575	Drainage Hurricane Recovery Bonds	1,845,897.61
	TOTAL DRAINAGE PUMPING STATIONS	<u>\$ 3,136,465.82</u>
	<u>GENERAL BUDGET</u>	
600	Drainage Share of Power Projects	\$ 3,331,721.26
700	Drainage Reserve for Emergencies	139,653.61
800	Drainage Share of General Budget Items	3,375,741.66
	TOTAL GENERAL BUDGET	<u>\$ 6,847,116.53</u>
	TOTAL DRAINAGE DEPARTMENT	<u><u>\$ 25,140,358.98</u></u>

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2013 ACTUAL CAPITAL EXPENDITURES

<u>C.P.#</u>	<u>POWER PROJECTS</u>	<u>POWER PROJECTS</u>			
		<u>Water</u>	<u>Sewerage</u>	<u>Drainage</u>	<u>Total</u>
613	Modification of Steam System	\$ 34,929.69	\$ 8,732.43	\$ 130,986.36	\$ 174,648.48
624	Extension and replacement to Electric System	5,705.00	1,426.25	21,393.75	28,525.00
676	Modification to Power Generating System (HMGP)	2,020,920.32	772,704.86	3,179,341.15	5,972,966.33
702	Sewer Reserve for Emergencies		2,727,066.35		2,727,066.35
703	Drainage Reserve for Emergencies			139,653.61	139,653.61
	TOTAL POWER PROJECTS	<u>\$ 2,061,555.01</u>	<u>\$ 3,509,929.89</u>	<u>\$ 3,471,374.87</u>	<u>\$ 9,042,859.77</u>

NOTE: These figures do not include proration of interest expense.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

2013 ACTUAL CAPITAL EXPENDITURES

GENERAL BUDGET ITEMS

<u>C.P.#</u>	<u>General Budget Items</u>	<u>Water</u>	<u>Sewerage</u>	<u>Drainage</u>	<u>Total</u>
803	Property Acquisition	\$ -	\$ -	\$ 40,463.00	\$ 40,463.00
812	Computer Systems Development	72,011.17	72,011.16	72,011.17	216,033.50
820	Overhead Charged to Capital	3,242,055.30	3,565,022.95	3,170,084.23	9,977,162.48
843	Minor Equipment Purchases	86,288.43	86,499.93	93,183.26	265,971.62
862	Fire Hydrants and Related Parts	1,051,042.00	-	-	1,051,042.00
864	Meter Boxes	374,214.46	-	-	374,214.46
TOTAL GENERAL BUDGET ITEMS		<u>\$ 4,825,611.36</u>	<u>\$3,723,534.04</u>	<u>\$ 3,375,741.66</u>	<u>\$ 11,924,887.06</u>

NOTE: These figures do not include proration of interest expense.

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
ANALYSIS OF PUMPING AND POWER DEPARTMENT
POWER PURCHASED AND PRODUCED
NATURAL GAS AND FUEL OIL CONSUMED
TEN YEARS 2004 THROUGH 2013**

YEAR	ELECTRIC POWER PURCHASED		ELECTRIC & STEAM POWER GENERATED BY THE S&WB		NATURAL GAS & FUEL OIL USED TO GENERATE ELECTRIC & STEAM POWER			
					NATURAL GAS		FUEL OIL	
	KW-HRS	\$ AMOUNT	KW-HRS	\$ AMOUNT	MCF	\$ AMOUNT	GALLONS	\$ AMOUNT
2004	63,393,258	\$ 5,100,645.61	37,845,120	\$ 11,851,909.33	1,346,750	\$ 11,850,932.33	1,149	\$ 977.00
2005	56,511,639	\$ 5,038,729.15	32,232,480	\$ 15,857,909.84	1,442,440	\$ 15,834,816.84	27,168	\$ 23,093.00
2006	67,474,620	\$ 7,371,028.93	37,464,720	\$ 14,587,879.51	1,285,200	\$ 14,587,700.51	211	\$ 179.00
2007	68,574,205	\$ 7,278,339.03	39,421,440	\$ 15,138,652.93	1,464,900	\$ 15,131,634.93	1,464	\$ 7,018.00
2008	62,579,355	\$ 7,051,655.00	40,407,984	\$ 19,125,396.84	1,535,660	\$ 18,895,716.14	85,222	\$ 229,680.70
2009	67,889,778	\$ 6,422,589.30	37,716,720	\$ 10,651,093.69	1,449,540	\$ 10,651,093.69	0	\$ -
2010	70,609,461	\$ 6,653,752.17	39,090,720	\$ 9,719,013.29	1,332,770	\$ 9,669,413.74	12,883	\$ 49,599.55
2011	70,049,094	\$ 6,180,372.91	27,351,600	\$ 10,721,624.09	1,552,330	\$ 10,721,356.34	315	\$ 267.75
2012	63,873,900	\$ 5,941,992.30	44,819,460	\$ 9,180,159.72	1,605,720	\$ 9,174,677.57	1,459	\$ 5,482.15
2013	67,980,940	\$ 6,725,810.61	35,005,422	\$ 11,648,150.00	1,830,890	\$ 11,648,148.44	9	\$ 33.84
TOTALS	590,955,310	\$ 57,039,104.40	336,350,244	\$ 128,481,789.24	13,015,310	\$ 116,517,342.09	129,880	\$ 316,297.15

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
POWER PURCHASED AND PRODUCED
NATURAL GAS AND FUEL OIL CONSUMED - 2013**

	KW-HOURS	COST
ELECTRIC POWER PURCHASED	67,980,940	\$ 6,725,810.61
ELECTRIC AND STEAM POWER GENERATED BY THE S&WB*	35,005,422	\$ 11,648,150.24
TOTAL	102,986,362	\$ 18,373,960.85

NOTE: *NATURAL GAS CONSUMED IN OPERATION WAS 1,830,890 MCF
AT A COST OF \$11,648,148.44. FUEL OIL CONSUMED WAS 9 GALLONS
AT A COST OF \$34

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Gallons Metered - Pay Water Consumption - 2013

<u>Month</u>	<u>Consumption</u>
January	1,170,214,500
February	1,007,454,600
March	1,049,705,600
April	1,112,770,700
May	1,040,006,800
June	1,105,013,000
July	1,155,234,600
August	1,177,788,300
September	1,189,801,800
October	1,261,150,700
November	1,053,873,800
December	<u>1,276,621,600</u>
Gross Total	<u><u>13,599,636,000</u></u>

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
MONTHLY WATER CHARGES COLLECTED - 2013**

<u>Months</u>	<u>Water Service Charges & Fees</u>	<u>Delinquent Fees</u>	<u>Total</u>
January	5,568,743.63	90,206.67	5,658,950.30
February	5,143,097.05	96,658.61	5,239,755.66
March	4,951,564.65	83,270.59	5,034,835.24
April	5,765,945.33	85,868.96	5,851,814.29
May	5,528,741.96	93,575.76	5,622,317.72
June	4,956,794.92	81,495.25	5,038,290.17
July	5,993,061.06	92,614.08	6,085,675.14
August	5,641,502.08	98,737.84	5,740,239.92
September	7,100,703.95	89,730.14	7,190,434.09
October	6,326,141.84	97,736.56	6,423,878.40
November	5,008,965.84	87,112.24	5,096,078.08
December	5,958,731.31	102,163.47	6,060,894.78
	<u>\$67,943,993.62</u>	<u>\$1,099,170.17</u>	<u>\$69,043,163.79</u>

MONTHLY SEWERAGE CHARGES COLLECTED - 2013

<u>Months</u>	<u>Sewerage Service Charges</u>	<u>Delinquent Fees</u>	<u>Total</u>
January	6,562,268.21	60,263.64	6,622,531.85
February	5,886,154.44	64,761.08	5,950,915.52
March	5,981,648.27	55,623.24	6,037,271.51
April	6,965,708.22	57,367.55	7,023,075.77
May	6,501,717.39	62,509.20	6,564,226.59
June	5,731,404.64	54,441.71	5,785,846.35
July	6,850,842.83	61,867.84	6,912,710.67
August	6,558,230.02	65,951.01	6,624,181.03
September	6,058,156.46	59,942.60	6,118,099.06
October	8,145,111.99	65,290.95	8,210,402.94
November	6,848,623.17	58,190.68	6,906,813.85
December	6,830,736.60	68,230.62	6,898,967.22
	<u>\$78,920,602.24</u>	<u>\$734,440.12</u>	<u>\$79,655,042.36</u>

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE I

CARROLLTON TURBIDITIES

	River (NTU)					Effluent Settling Reservoirs (NTU)					Filters (NTU)				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Maximum	320	274	282	159	281	19	8.3	10	7.3	9.3	0.78	0.26	0.22	0.35	0.25
Minimum	5	5	11	5	5	1.1	1.1	1.0	0.5	0.8	0.09	0.07	0.08	0.08	0.07
Average	71	71	51	34	70	3.1	3.2	2.9	2.0	2.8	0.14	0.13	0.13	0.12	0.11

TABLE II

CARROLLTON ALKALINITIES PARTS PER MILLION

	River					Effluent Settling Reservoirs					Filters				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Maximum	185	212	163	154	139	175	202	165	146	127	200	225	195	168	144
Minimum	83	93	83	81	72	72	76	66	53	53	80	98	88	99	74
Average	121	143	125	122	101	114	135	115	110	89	134	155	135	135	115

TABLE II A

CARROLLTON HARDNESS PARTS PER MILLION

	NON-CARBONATE HARDNESS										TOTAL HARDNESS									
	RIVER					FILTERS					RIVER					FILTERS				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Maximum	91	84	105	104	86	92	91	83	109	93	211	238	220	214	188	227	278	238	242	206
Minimum	0	0	17	19	18	0	0	26	1	23	110	116	115	115	101	130	140	132	143	115
Average	33	36	47	43	40	40	41	55	55	49	153	178	172	164	141	173	195	191	190	164

TABLE III

CARROLLTON BACTERIAL CHARACTERISTICS TOTAL COLIFORM ANALYSIS

2013	River	Plant Tap	Distribution System
Maximum (Colonies / 100 ml)	3,700	5	4
Minimum (Colonies / 100 ml)	86	0	0
Average (colonies / 100 ml)	610	0	0
Number of Samples	365	365	2,346
Number of Samples Negative	0	364	2,344
Number of Samples Positive	365	1	2*

* Neither of these 2 total coliform positive samples was *E. coli* positive, and neither resulted in a violation of the Total Coliform Rule.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-A

**PRINCIPLE RESULTS OF OPERATION OF THE G3 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE
YEAR ENDING: December 31, 2013**

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total Pounds of Polymer used at Intake	Polymer at Intake Parts Per Million	Total Pounds of Polymer used in Plant	Polymer in Plant Parts Per Million	Total Pounds of Pure Iron (Fe) used During Month	Pure Iron (Fe) Parts Per Million	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max.		89.96				5.92		8.08	281	109	8.4
	Min.	2,700.04	82.00			114,761	4.49	136,531	5.05	80	72	2.0
	Avg.		87.10				5.10		6.07	149	86	4.3
February	Max.		90.71				5.80		7.92	221	89	7.4
	Min.	2,345.96	79.25			100,279	4.69	137,023	6.41	76	73	2.0
	Avg.		83.78				5.12		7.00	127	79	3.6
March	Max.		86.25				5.31		7.13	275	108	7.5
	Min.	2,578.33	78.13			109,954	4.78	127,825	5.35	41	73	1.9
	Avg.		83.17				5.12		5.94	100	89	4.0
April	Max.		85.08				5.23		5.85	138	103	6.4
	Min.	1,356.92	40.71			56,924	4.85	63,804	5.45	6	78	1.8
	Avg.		79.82				5.03		5.64	91	90	3.2
May	Max.											
	Min.											
	Avg.											
June	Max.											
	Min.											
	Avg.											
July	Max.											
	Min.											
	Avg.											
August	Max.											
	Min.											
	Avg.											
September	Max.											
	Min.											
	Avg.											
October	Max.											
	Min.											
	Avg.											
November	Max.											
	Min.											
	Avg.											
December	Max.											
	Min.											
	Avg.											
Total		8,981.25				381,919		465,183				
General	Max.	2,700.04	90.71			114,761	5.92	137,023	8.08	281	139	8.4
	Min.	1,356.92	40.71			56,924	4.49	63,804	5.05	5	72	1.8
	Avg.	2,245.31	83.94			95,480	5.12	116,296	6.32	70	101	3.8

Note: G3 Basin in service from 1/1/13 through 4/17/13. Polymer not used at intake.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-B

PRINCIPLE RESULTS OF OPERATION OF THE G4 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR
ENDING: December 31, 2013

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total Pounds of Polymer used at Intake	Polymer at Intake Parts Per Million	Total Pounds of Polymer used in Plant	Polymer in Plant Parts Per Million	Pounds of Pure Iron (Fe) used During Month	Pure Iron (Fe) Parts Per Million	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max. Min. Avg.											
February	Max. Min. Avg.											
March	Max. Min. Avg.											
April	Max. Min. Avg.											
May	Max. Min. Avg.											
June	Max. Min. Avg.											
July	Max. Min. Avg.											
August	Max. Min. Avg.											
September	Max. Min. Avg.											
October	Max. Min. Avg.											
November	Max. Min. Avg.											
December	Max. Min. Avg.											
Total												
General	Max. Min. Avg.											

Note: G4 Basin was not in service in 2013. Polymer not used at intake.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-C

**PRINCIPLE RESULTS OF OPERATION OF THE L3 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR
ENDING: December 31, 2013**

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total Pounds of Polymer used at Intake	Polymer at Intake Parts Per Million	Total Pounds of Polymer used in Plant	Polymer in Plant Parts Per Million	Total Pounds of Pure Iron (Fe) used During Month	Pure Iron (Fe) Parts Per Million	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max.		54.25				5.46		7.55	281	109	8.1
	Min.	1,508.13	42.79			59,729	3.75	71,219	4.25	80	72	2.1
	Avg.		48.65				4.76		5.69	149	86	4.1
February	Max.		55.08				5.57		7.82	221	89	5.6
	Min.	1,373.58	42.79			58,782	4.93	80,920	6.51	76	73	1.9
	Avg.		46.87				5.20		7.12	127	79	3.3
March	Max.		55.21				5.54		7.02	275	108	5.2
	Min.	1,578.71	47.21			68,148	4.97	79,679	5.63	41	73	1.9
	Avg.		50.57				5.23		5.90	100	89	3.4
April	Max.		73.29				5.72		6.48	138	103	6.4
	Min.	1,747.46	46.17			75,271	4.84	84,915	5.45	6	78	1.4
	Avg.		58.25				5.19		5.85	91	90	3.2
May	Max.		65.25				5.56		6.24	261	102	3.8
	Min.	1,850.71	58.88			79,381	4.80	90,226	5.49	15	85	1.2
	Avg.		61.69				5.15		5.85	101	95	2.5
June	Max.		64.58				5.10		5.72	228	115	4.6
	Min.	1,853.92	60.83			65,708	4.00	73,786	4.51	17	92	1.1
	Avg.		61.50				4.64		5.22	98	102	2.7
July	Max.		65.08				4.19		4.75	122	123	7.6
	Min.	1,898.29	57.67			58,186	3.37	65,606	3.83	30	98	1.3
	Avg.		61.24				3.70		4.15	52	109	2.1
August	Max.		63.42				4.02		4.63	79	120	5.0
	Min.	1,710.54	48.88			50,687	3.34	57,564	3.75	11	93	1.2
	Avg.		55.18				3.56		4.04	32	111	2.0
September	Max.		57.08				3.78		4.27	28	132	2.4
	Min.	1,626.42	51.21			48,183	3.40	54,051	3.53	6	95	1.0
	Avg.		54.21				3.55		3.99	13	113	1.6
October	Max.		57.04				3.58		4.03	19	139	3.2
	Min.	1,676.08	52.54			46,559	2.83	52,492	3.18	5	100	1.1
	Avg.		54.06				3.26		3.68	10	117	1.7
November	Max.		59.42				3.21		3.68	35	126	3.0
	Min.	1,669.67	53.29			41,438	2.75	47,661	3.10	6	111	1.3
	Avg.		55.66				2.98		3.42	17	120	2.1
December	Max.		74.38				5.34		5.99	126	119	9.3
	Min.	2,124.25	54.42			73,227	3.07	82,434	3.51	16	78	1.5
	Avg.		68.52				4.12		4.64	54	102	3.4
Total		20,617.75				725,300		840,553				
General	Max.		74.38			79,381	5.72	90,226	7.82	281	139	9.3
	Min.	1,373.58	42.79			41,438	2.75	47,661	3.10	5	72	1.0
	Avg.	1,718.15	56.49			60,442	4.29	70,046	5.01	70	101	2.7

Note: Polymer not used at intake.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-D

PRINCIPLE RESULTS OF OPERATION OF THE L4 CONVENTIONAL UNIT AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2013

1	2	3	4	5	6	7	8	9	10	11	12	13
Month		Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total pounds of Polymer used at Intake	Polymer at Intake Parts Per Million	Total Pounds of Polymer used in Plant	Polymer in Plant Parts Per Million	Total Pounds of Pure Iron (Fe) used During Month	Pure Iron (Fe) Parts Per Million	NTU Turbidity of River Water	PPM Alkalinity of River Water	NTU Turbidity of Unit Effluent
January	Max. Min. Avg.											
February	Max. Min. Avg.											
March	Max. Min. Avg.											
April	Max. Min. Avg.	741.67	60.21 29.46 52.98			32,610	6.48 5.01 5.32	36,440	6.92 5.60 5.93	138 6 91	103 78 90	4.0 1.0 2.0
May	Max. Min. Avg.	2,027.79	68.96 61.38 65.41			83,360	5.56 4.62 4.93	92,148	6.20 5.07 5.45	261 15 101	102 85 95	3.1 1.1 2.0
June	Max. Min. Avg.	2,025.75	71.88 62.88 67.53			71,062	5.56 3.66 4.23	79,543	5.89 4.24 4.71	228 17 98	115 92 102	5.0 0.9 2.1
July	Max. Min. Avg.	2,083.08	72.96 63.96 67.20			64,199	4.19 3.37 3.70	72,147	4.73 3.79 4.16	122 30 52	123 98 109	2.4 1.0 1.5
August	Max. Min. Avg.	2,302.00	79.54 68.58 74.64			68,283	3.75 3.35 3.55	76,459	4.21 3.76 3.98	79 11 32	120 93 111	2.4 1.0 1.6
September	Max. Min. Avg.	2,274.42	78.88 72.58 75.81			68,648	3.81 3.37 3.62	76,842	4.28 3.79 4.07	28 6 13	132 95 113	2.1 0.8 1.4
October	Max. Min. Avg.	2,410.33	80.17 75.46 77.72			67,850	3.61 2.97 3.46	76,131	4.04 3.34 3.88	19 5 10	139 100 117	5.3 1.0 2.8
November	Max. Min. Avg.	2,336.75	81.54 75.13 77.89			70,666	4.19 2.92 3.63	79,115	4.69 3.26 4.06	35 6 17	126 111 120	6.2 2.5 3.9
December	Max. Min. Avg.	1,977.25	77.67 57.83 63.78			80,360	5.62 3.63 4.89	89,854	6.28 4.08 5.47	126 16 54	119 78 102	9.3 2.5 4.5
Total		18,179.04				607,038		678,680				
General	Max. Min. Avg.	2,410.33 741.67 2,019.89	81.54 29.46 70.19			83,360 32,610 67,449	6.48 2.92 4.19	92,148 36,440 75,409	6.92 3.26 4.66	281 5 70	139 72 101	9.3 0.8 2.5

Note: L4 Basin in service from 4/17/13 through 12/31/13. Polymer not used at intake.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE IV-E

MONTHLY SUMMARY OF COMBINED OPERATION OF CONVENTIONAL UNITS AT THE CARROLLTON WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2013

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Month		Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total pounds of Polymer used at Intake	Total Pounds of Polymer used in Plant	Total Pounds of Fluoride (100%) During Month	Fluoride Parts Per Million	Total Pounds of Pure Iron (Fe) used During Month	Total Pounds of Lime Used During Month	Lime Parts per Million	Total Pounds of Chlorine Used During Month	Chlorine Parts Per Million	Total Pounds of Anhydrous Ammonia Used During Month	Ammonia Parts Per Million	Total Pounds of Polyphos phate Used During Month	Polyphos phate Parts Per Million	Alkalinity of Filtered Water Parts Per Million (OFE)	Estimated High Lift Pumpage Total M.G. M.G.D.
January	Max. Min. Avg.	4,208.21	141.83 129.42 135.75	0	174,489	5,175	0.24 0.11 0.13	207,750	695,444	23.14 17.58 19.83	167,761	5.22 4.42 4.78	30,663	0.96 0.80 0.87	23,474	0.77 0.60 0.67	115 74 98	154.80 144.80 149.52
February	Max. Min. Avg.	3,719.55	137.04 127.71 132.84	0	159,062	6,965	0.36 0.18 0.20	217,943	629,027	21.76 18.06 20.28	140,962	5.29 4.10 4.55	28,985	0.99 0.89 0.93	22,870	0.83 0.66 0.74	101 78 89	151.20 141.32 145.93
March	Max. Min. Avg.	4,157.06	139.83 128.79 134.10	0	178,102	7,877	0.23 0.16 0.21	207,503	742,902	24.12 18.64 21.43	158,843	5.27 4.10 4.58	32,878	1.00 0.90 0.95	25,461	0.77 0.68 0.73	122 90 103	150.08 136.04 141.98
April	Max. Min. Avg.	3,846.07	135.83 120.00 128.20	0	164,805	7,680	0.24 0.21 0.22	185,160	744,266	25.65 21.22 23.22	170,384	6.21 5.04 5.32	31,472	1.27 0.84 0.98	21,863	0.82 0.57 0.68	124 85 104	142.80 127.96 136.73
May	Max. Min. Avg.	3,940.42	129.79 123.79 127.11	0	162,741	8,135	0.28 0.21 0.23	182,373	772,069	26.45 20.90 23.50	179,989	5.99 5.23 5.48	32,840	1.08 0.95 1.00	18,373	0.72 0.50 0.56	120 98 110	138.20 127.44 134.83
June	Max. Min. Avg.	3,881.82	135.38 123.50 129.39	0	136,770	7,536	0.24 0.18 0.22	153,329	723,618	27.13 12.39 22.36	194,700	6.70 5.72 6.03	35,230	5.92 1.03 3.01	25,007	0.90 0.69 0.77	130 111 120	149.79 133.64 140.27
July	Max. Min. Avg.	3,981.39	138.04 125.38 128.43	0	122,386	8,154	0.36 0.17 0.22	137,753	732,058	25.07 17.45 21.94	212,721	6.79 6.02 6.41	38,596	1.21 1.09 1.16	23,493	0.79 0.61 0.71	144 109 125	157.71 140.79 147.03
August	Max. Min. Avg.	4,012.57	134.29 123.63 129.44	0	118,970	13,741	0.63 0.00 0.35	134,023	835,928	27.17 21.64 24.99	211,525	7.33 6.03 6.32	38,442	1.20 1.10 1.15	21,057	0.74 0.61 0.67	134 105 126	149.46 142.00 145.80
September	Max. Min. Avg.	3,900.86	133.25 125.54 130.03	0	116,831	13,763	0.40 0.33 0.38	130,893	790,461	28.11 22.35 24.30	203,607	6.66 5.81 6.26	36,520	1.18 1.06 1.12	17,286	0.67 0.48 0.53	135 110 124	153.96 142.38 146.52
October	Max. Min. Avg.	4,086.47	135.21 128.21 131.82	0	114,410	12,352	0.39 0.30 0.34	128,624	732,387	26.41 15.96 21.50	207,338	6.38 5.63 6.08	39,442	1.22 1.07 1.16	20,405	0.64 0.56 0.61	139 113 127	145.63 137.83 142.01
November	Max. Min. Avg.	4,006.45	140.96 130.25 133.55	0	112,104	10,869	0.33 0.27 0.31	126,777	629,211	20.18 16.56 18.84	194,058	6.23 5.41 5.81	38,754	1.24 1.06 1.16	20,676	0.65 0.60 0.62	143 125 135	148.04 136.13 141.46
December	Max. Min. Avg.	4,101.56	136.83 128.96 132.31	0	153,586	10,947	0.32 0.28 0.30	172,288	652,343	21.13 14.08 19.02	179,422	5.48 5.05 5.23	37,535	1.15 1.06 1.10	20,658	0.64 0.55 0.60	139 100 119	144.38 135.92 141.06
Total		47,842.43		0	1,714,257	113,194		1,984,415	8,679,714		2,221,310		421,356		260,621			52,104.4
General	Max. Min. Avg.	4,208.21 3,719.55 3,986.87	141.83 120.00 131.08	0 0 0	178,102 112,104 142,855	13,763 5,175 9,433	0.63 0.00 0.28	217,943 126,777 165,368	835,928 629,027 723,310	28.11 12.39 21.75	212,721 140,962 185,109	7.33 4.10 5.57	39,442 28,985 35,113	5.92 0.80 1.06	25,461 17,286 21,718	0.90 0.48 0.65	144 74 115	157.71 127.44 142.75

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE V

PRINCIPLE RESULTS OF OPERATION OF THE ALGIERS WATER PURIFICATION PLANT FOR THE YEAR ENDING: December 31, 2013

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Month		Low Lift Total Million Gallons of Water Treated During Month	Amount of Water Treated Million Gallons Per 24 Hours	Total Pounds of Polyelec- trolyte Used During Month	Polyelec- trolyte Parts Per Million	Total Pounds of Fluoride (100%) Used During Month	Fluoride Parts Per Million	Total Pounds of Pure Iron (Fe) used During Month	Pure Iron (Fe) Parts Per Million	Total Pounds of Lime Used During Month	Lime Parts Per Million	Total Pounds of Anhydrous Ammonia Used During Month	Anhydrous Ammonia Parts Per Million	Total Pounds Chlorine Used During Month	Chlorine Parts Per Million	Total Pounds Polyphos- phate Used During Month	Polyphos- phate Parts Per Million	NTU Turbidity Clarifier Effluent	PPM Clear Well Alkalinity of Filter Effluent	High Lift Pumpage Total M.G.D.
January	Max. Min. Avg.	363.34 10.00 11.72	13.75 10.00 11.72	5.10 3.10 4.00	5.10 3.10 4.00	681 310 5.12	0.24 0.21 0.22	15,452 15,452 15,452	6.28 3.10 5.12	91,880 91,880 91,880	45.56 19.90 30.31	2,732 2,732 2,732	1.01 0.85 0.90	15,146 15,146 15,146	5.38 4.72 5.00	2,366 2,366 2,366	1.10 0.66 0.78	11.2 1.1 3.1	95 72 81	11.73 10.38 11.00
February	Max. Min. Avg.	326.84 10.00 11.67	15.25 10.00 11.67	4.57 4.51 4.55	4.57 4.51 4.55	683 405 33.34	0.29 0.22 0.25	14,958 14,958 14,958	9.82 4.04 5.55	91,158 91,158 91,158	40.05 27.02 33.34	2,429 2,429 2,429	0.94 0.84 0.89	12,323 12,323 12,323	4.91 4.08 4.52	2,334 2,334 2,334	1.20 0.53 0.86	3.6 0.6 1.6	83 68 76	13.58 10.02 10.79
March	Max. Min. Avg.	357.57 10.00 11.53	12.00 10.00 11.53	4.57 4.34 4.54	4.57 4.34 4.54	836 836 836	0.30 0.26 0.28	15,947 15,947 15,947	7.91 3.30 5.39	153,147 153,147 153,147	96.48 40.00 51.38	2,531 2,531 2,531	0.89 0.82 0.85	13,019 13,019 13,019	4.87 4.08 4.36	2,400 2,400 2,400	1.00 0.66 0.80	4.0 0.5 1.8	85 56 71	11.21 9.79 10.65
April	Max. Min. Avg.	338.66 10.00 11.29	12.00 10.00 11.29	4.58 4.51 4.54	4.58 4.51 4.54	853 853 853	0.30 0.28 0.29	14,958 14,958 14,958	6.87 3.30 5.49	148,280 148,280 148,280	70.17 31.04 52.50	2,591 2,591 2,591	0.98 0.88 0.92	13,207 13,207 13,207	4.96 4.40 4.68	2,400 2,400 2,400	1.15 0.66 0.86	3.4 0.4 1.3	66 50 58	11.61 9.67 10.51
May	Max. Min. Avg.	353.60 10.00 11.41	12.00 10.00 11.41	4.56 4.51 4.54	4.56 4.51 4.54	986 986 986	0.35 0.30 0.34	15,424 15,424 15,424	6.59 3.66 5.27	116,487 116,487 116,487	68.14 24.94 39.51	2,871 2,871 2,871	1.06 0.91 1.07	14,194 14,194 14,194	5.85 4.16 4.82	2,400 2,400 2,400	1.20 0.66 0.82	3.5 0.4 1.2	67 47 58	11.10 9.36 10.45
June	Max. Min. Avg.	345.44 10.00 11.51	13.25 10.00 11.51	4.59 4.50 4.55	4.59 4.50 4.55	989 989 989	0.36 0.31 0.34	16,141 16,141 16,141	6.64 4.37 5.63	203,469 203,469 203,469	85.04 59.95 70.47	3,097 3,097 3,097	1.16 1.00 1.07	14,204 14,204 14,204	5.29 4.57 4.93	2,400 2,400 2,400	1.15 0.61 0.84	14.3 0.3 1.7	62 42 49	11.45 9.63 10.57
July	Max. Min. Avg.	380.64 10.00 12.28	14.66 10.00 12.28	4.55 3.44 4.21	4.55 3.44 4.21	991 991 991	0.39 0.28 0.31	18,370 18,370 18,370	6.59 4.28 5.81	283,960 283,960 283,960	130.07 60.14 89.20	3,400 3,400 3,400	1.22 1.02 1.07	15,416 15,416 15,416	5.09 4.70 4.86	2,600 2,600 2,600	1.16 0.55 0.82	17.0 0.2 3.4	63 38 48	12.57 9.75 10.75
August	Max. Min. Avg.	370.17 10.00 11.94	14.00 10.00 11.94	4.27 4.21 4.24	4.27 4.21 4.24	1,385 1,385 1,385	0.49 0.40 0.45	18,260 18,260 18,260	7.30 4.59 5.96	246,729 246,729 246,729	111.46 59.21 81.67	3,341 3,341 3,341	1.20 1.01 1.08	15,386 15,386 15,386	5.42 4.64 4.98	2,600 2,600 2,600	1.20 0.60 0.85	21.0 0.8 3.0	74 42 62	12.97 10.06 11.25
September	Max. Min. Avg.	323.01 10.00 10.77	13.17 10.00 10.77	4.27 4.21 4.26	4.27 4.21 4.26	1,241 1,241 1,241	0.49 0.42 0.46	15,235 15,235 15,235	6.59 3.96 5.66	213,704 213,704 213,704	110.75 59.81 78.88	2,861 2,861 2,861	1.19 0.96 1.06	12,995 12,995 12,995	5.32 4.34 4.83	2,200 2,200 2,200	1.20 0.61 0.82	15.0 0.3 3.6	70 45 57	10.91 9.27 10.06
October	Max. Min. Avg.	320.84 10.00 10.35	13.17 10.00 10.35	4.27 4.21 4.26	4.27 4.21 4.26	1,204 1,204 1,204	0.49 0.37 0.45	13,427 13,427 13,427	6.28 2.64 5.04	223,180 223,180 223,180	123.66 41.44 82.90	2,582 2,582 2,582	1.27 0.90 0.97	11,896 11,896 11,896	4.78 4.40 4.58	2,300 2,300 2,300	1.20 0.61 0.86	18.0 0.3 3.5	79 45 63	10.61 9.01 9.76
November	Max. Min. Avg.	312.84 10.00 10.43	12.00 10.00 10.43	4.27 3.56 4.21	4.27 3.56 4.21	1,190 1,190 1,190	0.47 0.45 0.46	12,287 12,287 12,287	5.77 3.67 4.72	167,078 167,078 167,078	87.29 48.78 63.88	2,166 2,166 2,166	0.98 0.72 0.83	12,756 12,756 12,756	4.29 4.29 4.88	2,166 2,166 2,166	1.20 0.67 0.83	5.8 0.2 1.3	93 54 71	10.03 8.11 9.54
December	Max. Min. Avg.	322.41 10.00 10.40	12.00 10.00 10.40	4.28 4.22 4.26	4.28 4.22 4.26	1,222 1,222 1,222	0.46 0.38 0.39	12,835 12,835 12,835	7.91 2.64 4.77	123,238 123,238 123,238	64.49 29.93 45.88	1,911 1,911 1,911	0.77 0.67 0.71	12,531 12,531 12,531	5.32 4.40 4.67	2,134 2,134 2,134	1.20 0.67 0.80	7.5 0.2 2.1	88 47 68	10.65 8.23 9.52
Total		4,115.35	15.25	13,533	5.10	12,261	0.36	183,294	6.28	283,960	130.07	3,251	1.27	153,073	4.87	28,300	1.20	21.0	95	3,797.51
General	Max. Min. Avg.	380.64 312.84 342.95	15.25 10.00 11.27	5.10 3.10 4.34	5.10 3.10 4.34	1,385 681 1,022	0.36	18,370 12,287 15,275	9.82 2.64 5.34	283,960 91,158 171,859	130.07 19.90 60.09	3,400 1,911 2,709	1.27 0.67 0.95	15,416 11,896 13,589	4.87 4.08 4.75	2,600 2,134 2,358	1.20 0.53 0.82	21.0 0.2 2.3	95 38 63	3,797.51 3,488.87 3,164.46

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VI-A

MONTHLY SUMMARY OF CARROLLTON WATER PURIFICATION PLANT FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2013

1	2	3		4		5		6		7		8		9		10		11	
Month		Total Million Gallons Water Filtered During Month		Total Number of Runs		Length of Runs in Hours		Million Gallons of Water Filtered Per Run		Million Gallons Per Day Per Filter		Total Amount in Million Gallons of Wash Water Used		Million Gallons of Wash Water Used Per Run		Percentage of Wash Water Used Per Run		Million Gallons Filtered Per Acre Per Day	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
January	Max.					172	178	28.841	46.213							5.00	3.88		
	Min.	2,060.918	2,571.283	98	78	50	67	6.250	14.125	2.937	5.895	30.600	42.700	0.312	0.547	1.08	1.18	89.402	97.825
	Avg.					172	134	21.030	32.965							1.48	1.66		
February	Max.					213	221	29.177	50.113							2.98	1.90		
	Min.	1,694.501	2,403.055	88	68	120	119	10.084	23.500	2.772	5.336	26.400	30.300	0.300	0.446	1.03	0.89	84.385	88.548
	Avg.					167	159	19.256	35.339							1.56	1.26		
March	Max.					191	192	21.750	41.789							2.27	2.11		
	Min.	1,764.448	2,548.913	92	80	160	117	13.334	24.222	2.736	5.126	27.900	40.800	0.303	0.510	1.39	1.22	83.298	85.061
	Avg.					168	149	19.179	31.861							1.58	1.60		
April	Max.					191	231	23.625	49.455							2.54	5.22		
	Min.	1,793.044	2,267.936	94	80	119	57	11.917	10.655	2.767	5.187	28.500	44.500	0.303	0.556	1.28	1.12	84.218	86.070
	Avg.					165	131	19.075	28.349							1.59	1.96		
May	Max.					171	213	21.375	43.897							2.16	3.05		
	Min.	1,836.258	2,316.423	96	78	163	91	13.917	18.954	2.750	4.855	28.800	45.100	0.300	0.578	1.40	1.32	83.708	80.570
	Avg.					167	147	19.128	29.698							1.57	1.95		
June	Max.					173	166	21.625	38.505							2.18	2.29		
	Min.	1,620.671	2,551.002	84	78	156	138	13.917	27.926	2.767	5.141	25.500	49.800	0.304	0.638	1.40	1.66	84.240	85.302
	Avg.					167	153	19.294	32.705							1.57	1.95		
July	Max.					191	175	23.875	42.438							2.52	2.59		
	Min.	1,887.752	2,537.451	94	78	129	121	11.917	25.417	2.914	5.298	28.200	51.400	0.300	0.659	1.26	1.55	88.695	87.920
	Avg.					165	147	20.082	32.531							1.49	2.03		
August	Max.					169	173	23.295	42.410							2.18	2.31		
	Min.	1,755.922	2,571.169	88	80	165	136	13.750	29.583	2.868	5.207	26.400	54.600	0.300	0.683	1.29	1.61	87.289	86.398
	Avg.					167	148	19.954	32.140							1.50	2.12		
September	Max.					167	188	20.875	42.201							2.16	3.05		
	Min.	1,614.336	2,705.503	84	78	167	118	13.917	23.395	2.762	5.617	25.200	55.700	0.300	0.714	1.44	1.69	84.073	93.208
	Avg.					167	148	19.218	34.686							1.56	2.06		
October	Max.					167	171	22.169	41.940							3.00	2.82		
	Min.	1,806.843	2,599.790	92	76	48	140	10.000	25.871	2.846	5.393	27.600	55.400	0.300	0.729	1.35	1.74	86.626	89.489
	Avg.					166	152	19.640	34.208							1.53	2.13		
November	Max.					172	171	22.125	43.396							2.16	3.08		
	Min.	1,675.975	2,566.179	84	80	162	118	13.917	23.334	2.870	5.346	25.200	57.500	0.300	0.719	1.36	1.66	87.357	88.715
	Avg.					167	144	19.952	32.077							1.50	2.24		
December	Max.					175	190	21.875	46.386							2.29	3.19		
	Min.	1,742.546	2,563.555	83	78	157	109	13.917	23.679	2.886	5.304	26.400	58.900	0.318	0.755	1.45	1.63	87.856	88.013
	Avg.					175	149	20.995	32.866							1.52	2.30		
Total		21,253.214	30,202.259	1,077	932	5,761	5,361	664.247	1,188.829	33.875	63.705	326.700	586.700	3.640	7.534	65.62	76.02	1,031.147	1,057.119
General	Max.					98	80	213	231	2.937	5.895	30.600	58.900	0.318	0.755	5.00	5.22	89.402	97.825
	Min.	1,614.336	2,267.936	83	68	48	57	6.250	10.655	2.736	4.855	25.200	30.300	0.300	0.446	1.03	0.89	83.298	80.570
	Avg.	1,771.101	2,516.855	90	78	168	147	19.734	32.406	2.823	5.309	27.225	48.892	0.303	0.628	1.54	1.94	85.929	88.093

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VI-B

MONTHLY SUMMARY OF ALGIERS FILTER OPERATIONS FOR THE YEAR ENDING: December 31, 2013

1	2	3	4	5	6	7	8	9	10
Month		Total Million Gallons Water Filtered During Month of Run	Total Number of Runs	Length of Runs in Hours	Million Gallons of Water Filtered Per Run	Million Gallons Per Day Per Filter	Total Amount in Million Gallons of Wash Water Used	Million Gallons of Wash Water Used Per Run	Percentage of Wash Water Used Per Run
January	Max. Min. Avg.	383.85	58	174 119 160	7.480 4.500 6.620	0.990	7.920	0.136	3.03 1.83 2.06
February	Max. Min. Avg.	313.38	45	194 161 172	8.420 5.690 6.960	0.970	5.320	0.118	2.08 1.40 1.70
March	Max. Min. Avg.	331.83	51	192 142 163	8.000 5.210 6.510	0.960	6.110	0.119	2.30 1.50 1.84
April	Max. Min. Avg.	355.98	54	169 163 166	7.040 5.250 6.590	0.950	6.380	0.118	2.25 1.68 1.79
May	Max. Min. Avg.	354.11	54	194 142 167	7.960 4.520 6.560	0.940	6.380	0.115	2.61 1.48 1.80
June	Max. Min. Avg.	321.02	48	175 160 167	7.250 6.000 6.690	0.960	5.830	0.121	2.02 1.68 1.82
July	Max. Min. Avg.	391.57	65	168 25 144	7.210 1.360 6.020	1.000	11.030	0.169	12.52 2.35 2.81
August	Max. Min. Avg.	356.68	64	171 16 125	8.210 1.520 5.570	1.070	11.970	0.189	12.49 2.31 3.41
September	Max. Min. Avg.	319.22	61	144 46 140	6.040 1.910 5.230	0.900	10.630	0.174	9.09 2.88 3.33
October	Max. Min. Avg.	313.44	62	183 95 142	7.420 3.000 5.060	0.850	10.580	0.170	5.69 2.30 3.37
November	Max. Min. Avg.	311.62	61	146 20 141	6.080 0.420 5.110	0.870	10.380	0.170	40.79 2.80 3.33
December	Max. Min. Avg.	321.08	59	171 68 151	7.080 2.310 5.440	0.860	7.540	0.127	5.52 1.80 2.35
Total		4073.78	682				100.070		
General	Max. Min. Avg.	391.57 311.62 335.45	65 45 57	194 16 156	8.420 0.420 5.973	1.070 0.850 0.943	11.970 5.320 8.377	0.189 0.115 0.145	40.79 1.40 2.46

SEWERAGE AND WATER BOARD OF NEW ORLEANS

TABLE VII
FIVE YEAR ANALYSIS COMPOSITE DATA (2009 - 2013) FOR CARROLLTON
DRINKING WATER PURIFICATION SYSTEM

PARAMETER	MISSISSIPPI RIVER (Before Purification)			FINISHED WATER (After Purification)		
	MAX	MIN	AVG	MAX	MIN	AVG
Total Alkalinity (ppm as CaCO ₃)	212	72	122	227	78	134
Total Hardness (ppm as CaCO ₃)	238	101	162	270	122	182
Noncarbonate Hardness (ppm as CaCO ₃)	105	0	40	120	0	49
Calcium Hardness (ppm as CaCO ₃)	187	69	111	204	75	132
Magnesium Hardness (ppm as CaCO ₃)	104	0	50	164	2	50
Nephelometric Turbidity (NTU)	320	4.6	59	0.24	0.06	0.12
pH	8.47	7.04	7.81	9.53	7.22	8.85
Chloride (ppm)	63	10	32	65	14	35
Fluoride (ppm)	0.65	0.08	0.28	1.20	0.18	0.79
Total Dissolved Solids (ppm)	490	88	258	526	114	268
Total Suspended Solids (ppm)	396	7	81			
Free Chlorine Residual (ppm as Cl ₂)				0.6	0.0	0.3
Total Chlorine Residual (ppm as Cl ₂)				5.5	0.0	3.1
Ammonia (ppm as N)				0.73	0.00	0.14
Nitrate + Nitrite (ppm as N) *				2	1	1.6
Sulfate (ppm) *				68	0	44
Conductivity (µS/cm)	610	179	399	650	185	450
Temperature (°F)	90	37	66	91	41	72
Aluminum (ppm) *				0.80	0.00	0.20
Antimony (ppm) *				0.002	0.000	0.000
Arsenic (ppm) *				0.001	0.000	0.001
Barium (ppm) *				0	0	0
Beryllium (ppm) *				0.000	0.000	0.000
Cadmium (ppm) *				0.000	0.000	0.000
Chromium (ppm) *				0.00	0.00	0.00
Copper (ppm) *				0.3	0.0	0.1
Iron (ppm) *				0.05	0.00	0.02
Lead (ppm) *				0.033	0.000	0.004
Manganese (ppm) *				0.00	0.00	0.00
Mercury (ppm) *				0.000	0.000	0.000
Nickel (ppm) *				0.0	0.0	0.0
Selenium (ppm) *				0.00	0.00	0.00
Silver (ppm) *				0.00	0.00	0.00
Thallium (ppm) *				0.000	0.000	0.000
Zinc (ppm) *				0	0	0
Potassium (ppm) *				8.8	2.8	5.3
Sodium (ppm) *				41.8	21.5	28.0
Cyanide (ppb) *				0.0	0.0	0.0
Haloacetic Acids (HAA5) (ppb)				33.9	8.6	17.8
Total Organic Carbon (ppm)	4.7	2.9	3.8	4.1	1.9	2.9
Total Trihalomethanes (ppb)	25.7	0.0	0.0	85.1	6.8	24.2
1, 2-Dichloroethane (ppb)	0.0	0.0	0.0	0.6	0.0	0.0
Chloroform (ppb)	25.7	0.0	0.0	62.1	5.6	15.5
Carbon Tetrachloride (ppb)	3.1	0.0	0.0	0.0	0.0	0.0
Bromodichloromethane (ppb)	0.0	0.0	0.0	13.2	0.0	6.0
Tetrachloroethene (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
BTX (Benzene, Toluene & Xylenes) (ppb)	0.6	0.0	0.0	0.0	0.0	0.0
Total Coliforms (CFUs/100 ml)	5400	44	770	36	0	0
Fecal Coliforms (CFUs/100 ml)	1500	0	60	0	0	0

The results for constituents indicated with asterisks are from the Louisiana Department of Health and Hospitals. Total Organic Carbon and Haloacetic Acid results are from a DHH certified contract laboratory. All other results are from testing by the S&WB Water Quality Laboratory. Lead and Copper results are from 2010 and 2013; testing is only required triennially. Concerning the chemical results, the S&WB Laboratory does not meet the higher criteria required by DHH to be classified as a "DHH-OPH Certified Chemical Laboratory/Drinking Water;" therefore, any results reported by this laboratory for chemical drinking water parameters which are required to be analyzed in a certified laboratory are officially deemed invalid. The S&WB Laboratory is certified by DHH for Total Coliform and Fecal Coliform testing.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE VIII

CARROLLTON OPERATION

CHEMICAL	CHEMICAL COST	CHEMICAL COST PER MILLION GALLONS
Lime	\$ 669,464.57	\$ 13.99
Ferric Coagulant	1,249,155.39	26.11
Chlorine & Sodium Hypochlorite	1,054,408.50	22.04
Sodium Polyphosphate	118,477.03	2.48
Polyelectrolyte	528,238.03	11.04
Fluoride	145,992.59	3.05
Ammonia	252,849.16	5.29
Carbon	-	-
TOTAL CHEMICALS	\$ 4,018,585.27	\$ 84.00

Purification Plant Operating Cost:

Total Water Treated in 2013:

47,842,430,000 Gallons

TOTAL COST PER MILLION GALLONS

YEAR	TOTAL WATER TREATED IN MILLION GALLONS	OPERATING COST	TOTAL COST PER MILLION GALLONS
2013	47,842.43	\$ 8,119,447.00	\$ 169.71
2012	50,240.70	\$ 8,294,045.00	\$ 165.09
2011	50,870.78	\$ 7,342,571.00	\$ 144.34
2010	50,040.84	\$ 7,868,284.00	\$ 157.24
2009	50,515.38	\$ 7,672,872.00	\$ 151.89

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE IX
ALGIERS OPERATION

CHEMICAL	CHEMICAL COST	CHEMICAL COST PER MILLION GALLONS
Lime	\$ 210,046.27	\$ 51.04
Ferric Coagulant	\$ 115,360.57	\$ 28.03
Sodium Hypochlorite	\$ 76,961.79	\$ 18.70
Sodium Polyphosphate	\$ 30,558.00	\$ 7.43
Polyelectrolyte	\$ 46,247.70	\$ 11.24
Fluoride	\$ 15,866.85	\$ 3.86
Ammonia	\$ 23,590.21	\$ 5.73
Carbon	\$ -	\$ -
TOTAL CHEMICALS	\$ 518,631.39	\$ 126.02

Purification Plant Operating Cost:

Total Water Treated in 2013:

4,115,360,000 Gallons

TOTAL COST
PER MILLION GALLONS

YEAR	TOTAL WATER TREATED IN MILLION GALLONS	OPERATING COST	TOTAL COST PER MILLION GALLONS
2013	4,115.36	\$ 1,967,690	\$ 478.13
2012	4,227.86	\$ 2,061,032	\$ 487.49
2011	4,280.60	\$ 1,834,511	\$ 428.56
2010	4,105.81	\$ 1,995,926	\$ 486.12
2009	3,935.84	\$ 1,894,092	\$ 481.24
2008	3,788.95	\$ 2,029,729	\$ 535.70

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE X

**SLUDGE REMOVED FROM THE "G" BASINS PRIMARY TREATMENT UNITS
DOOR MONORAKE CONVENTIONAL SYSTEM
2013**

Total Million Gallons Water Treated	8,981.25
Total Tons Dry Sludge Deposited in Basins Including suspended and Dissolved Solids Removed and Reacting Chemicals	7,821
Total Million Gallons Wet Sludge Withdrawn from Basins	249.43
Average Percent solids in Wet Sludge	0.75
Total Million Gallons Water Used in withdrawing Sludge	248.65
Percent of Total Water Treated Used in Withdrawing Wet Sludge	2.78

TABLE X-A

**SLUDGE REMOVED FROM THE "L" BASINS PRIMARY TREATMENT UNITS
DOOR MONORAKE CONVENTIONAL SYSTEM
2013**

Total Million Gallons Water Treated	38,796.79
Total Tons Dry Sludge Deposited in Basins Including suspended and Dissolved Solids Removed and Reacting Chemicals	15,490
Total Million Gallons Wet Sludge Withdrawn from Basins	460.86
Average Percent solids in Wet Sludge	0.80
Total Million Gallons Water Used in withdrawing Sludge	459.31
Percent of Total Water Treated Used in Withdrawing Wet Sludge	1.19

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE XI

2013 ANALYSIS DATA FOR CARROLLTON DRINKING WATER PURIFICATION SYSTEM

PARAMETER	MISSISSIPPI RIVER (Before Purification)			FINISHED WATER (After Purification)		
	MAX	MIN	AVG	MAX	MIN	AVG
Total Alkalinity (ppm as CaCO ₃)	139	72	101	160	78	114
Total Hardness (ppm as CaCO ₃)	188	101	141	203	122	163
Noncarbonate Hardness (ppm as CaCO ₃)	86	18	40	93	27	49
Calcium Hardness (ppm as CaCO ₃)	130	69	93	138	91	115
Magnesium Hardness (ppm as CaCO ₃)	91	21	48	93	7	48
Nephelometric Turbidity (NTU)	281	5.1	70	0.22	0.07	0.11
pH	8.26	7.04	7.57	9.42	8.10	8.88
Chloride (ppm)	49	15	27	54	19	31
Fluoride (ppm)	0.46	0.16	0.29	0.89	0.44	0.69
Total Dissolved Solids (ppm)	308	146	227	378	137	277
Total Suspended Solids (ppm)	396	7	125	-----	-----	-----
Free Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	0.6	0.0	0.2
Total Chlorine Residual (ppm as Cl ₂)	-----	-----	-----	4.6	0.3	3.2
Ammonia (ppm as N)	-----	-----	-----	0.38	0.01	0.15
Nitrate (ppm as N) *	-----	-----	-----	1	1	1
Sulfate (ppm) *	-----	-----	-----	58	57	58
Conductivity (µS/cm)	606	281	408	638	350	473
Temperature (°F)	86	45	65	91	49	73
Aluminum (ppm) *	-----	-----	-----	0.00	0.00	0.00
Antimony (ppm) *	-----	-----	-----	0.000	0.000	0.000
Arsenic (ppm) *	-----	-----	-----	0.000	0.000	0.000
Barium (ppm) *	-----	-----	-----	0	0	0
Beryllium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Cadmium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Chromium (ppm) *	-----	-----	-----	0.00	0.00	0.00
Copper (ppm) *	-----	-----	-----	0.2	0.0	0.1
Iron (ppm) *	-----	-----	-----	0.05	0.02	0.04
Lead (ppm) *	-----	-----	-----	0.016	0.000	0.003
Manganese (ppm) *	-----	-----	-----	0.00	0.00	0.00
Mercury (ppm) *	-----	-----	-----	0.000	0.000	0.000
Nickel (ppm) *	-----	-----	-----	0.0	0.0	0.0
Selenium (ppm) *	-----	-----	-----	0.00	0.00	0.00
Silver (ppm) *	-----	-----	-----	0.00	0.00	0.00
Thallium (ppm) *	-----	-----	-----	0.000	0.000	0.000
Zinc (ppm) *	-----	-----	-----	0	0	0
Potassium (ppm) *	-----	-----	-----	2.8	2.8	2.8
Sodium (ppm) *	-----	-----	-----	25.0	24.8	24.9
Cyanide (ppb) *	-----	-----	-----	0.0	0.0	0.0
Haloacetic Acids (HAA5) (ppb)	-----	-----	-----	33.9	10.1	16.2
Total Organic Carbon (ppm)	4.5	3.2	3.8	3.5	2.2	2.8
Total Trihalomethanes (ppb)	25.7	0.0	0.0	85.1	9.0	22.7
1, 2-Dichloroethane (ppb)	0.0	0.0	0.0	0.6	0.0	0.0
Chloroform (ppb)	25.7	0.0	0.0	62.1	5.9	14.3
Carbon Tetrachloride (ppb)	3.1	0.0	0.0	0.0	0.0	0.0
Bromodichloromethane (ppb)	0.0	0.0	0.0	7.0	0.0	1.9
Tetrachloroethene (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
BTX (Benzene, Toluene & Xylenes) (ppb)	0.0	0.0	0.0	0.0	0.0	0.0
Total Coliforms (CFUs/100 ml)	3700	86	610	4	0	0
Fecal Coliforms (CFUs/100 ml)	100	0	28	0	0	0

The results for constituents indicated with asterisks are from the Louisiana Department of Health and Hospitals.

Total Organic Carbon and Haloacetic Acid results are from a DHH certified contract laboratory.

All other results are from testing by the S&WB Water Quality Laboratory.

Concerning the chemical results, the S&WB Laboratory does not meet the higher criteria required by DHH to be classified as a "DHH-OPH *Certified* Chemical Laboratory/Drinking Water;" therefore, any results reported by this laboratory for chemical drinking water parameters which are required to be analyzed in a certified laboratory are officially deemed invalid.

The S&WB Laboratory is certified by DHH for Total Coliform and Fecal Coliform testing.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE XII

EXTRACTS FROM TABLES IV-E AND V

20 Year Period, 1994 to 2013 Inclusive
Maximum, Minimum, and Average Amount of
Water Treated Per Day
(M.G. per 24 Hours)

YEAR	CARROLLTON			ALGIERS		
	MAX.	MIN.	AVG.	MAX.	MIN.	AVG.
1994	128.88	103.88	113.71	17.00	8.00	11.47
1995	142.83	104.67	121.40	18.14	9.00	11.55
1996	198.42	91.59	128.97	18.27	9.00	11.47
1997	156.53	112.70	128.73	18.83	9.58	12.06
1998	152.96	98.48	126.86	22.96	12.00	12.36
1999	168.25	122.55	140.26	22.00	8.90	15.19
2000	152.50	126.71	128.10	18.83	7.58	12.13
2001	153.93	107.75	126.70	15.76	6.00	10.90
2002	128.67	87.00	106.63	14.00	6.66	9.80
2003	144.26	90.75	115.35	13.16	8.00	10.06
2004	145.83	102.92	122.57	13.16	8.00	10.15
2005	144.00	0.00	115.47	22.67	7.00	10.20
2006	165.63	115.33	139.73	18.34	8.00	11.67
2007	144.75	124.00	134.06	16.00	10.00	12.13
2008	143.50	114.08	133.88	13.58	6.92	10.38
2009	147.92	129.83	138.17	14.00	8.00	10.78
2010	156.50	125.33	137.10	15.67	8.00	11.25
2011	150.83	127.17	139.37	16.83	10.00	11.73
2012	163.29	117.96	137.65	15.50	10.00	11.58
2013	141.83	120.00	131.08	15.25	10.00	11.27

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE XIII

Monthly Temperature (Degrees Farenheit) of the
Mississippi River Water at the Carrollton Plant

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
January	49	49	50	52	50	50	41	43	48	47
February	47	48	51	47	53	46	41	43	48	47
March	54	51	55	56	55	51	48	51	57	49
April	62	62	63	63	63	58	62	61	69	57
May	71	71	74	71	68	69	71	68	74	66
June	79	81	83	79	77	79	81	80	81	76
July	83	85	86	82	80	85	85	84	85	81
August	84	88	88	85	82	84	86	87	87	83
September	81	*	86	82	78	81	83	80	82	83
October	74	76	78	75	71	70	72	72	72	76
November	65	66	63	63	63	59	61	62	60	62
December	53	51	54	58	55	49	50	50	55	48
Maximum	87	90	90	89	85	86	89	90	89	86
Minimum	45	42	46	40	42	42	37	40	46	45
Average	67	66	69	68	66	65	65	65	68	65

Ten Year Period

Maximum: 90

Minimum: 37

Average: 66

* Data not available for
September 2005 due
to hurricane Katrina.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

YEAR ENDING: DECEMBER 31, 2013

TABLE XIV

Monthly Temperature (Degrees Farenheit) of the Tap Water at the Carrollton Plant

	2009	2010	2011	2012	2013
January	66	61	61	64	65
February	65	61	60	65	66
March	68	66	67	69	66
April	70	70	71	74	69
May	74	76	73	77	73
June	78	80	79	82	81
July	80	82	82	84	81
August	78	84	85	79	81
September	77	80	80	78	84
October	74	75	76	73	78
November	69	66	69	69	72
December	65	60	63	68	64
Maxiumum	88	88	90	89	91
Minimum	51	41	44	51	49
Average	72	72	72	73	73

Five Year Period	
Maximum:	91
Minimum:	41
Average:	72

SEWERAGE AND WATER BOARD OF NEW ORLEANS

New Orleans West Bank Sewerage Treatment Plant 2013 Yearly Summary

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2013
Plant Eff Flow (MGD)													
Average	11.456	14.710	7.670	15.814	12.087	7.546	9.113	8.636	8.8	6.745	7.474	10.60	10.05
Maximum	21.543	32.318	11.727	32.535	27.35	12.289	18.631	17.000	23.63	11.648	16.75	27.86	32.54
INFLUENT BOD (mg/L)													
Average	81.9	74.6	96.4	64	75.3	94	85.6	101.4	80.2	94.8	94.9	84.5	85.63
Maximum	149	128	196	118	100	117	139	195	124	138	163	139	196
INFLUENT TSS (mg/L)													
Average	75	80.8	82.8	97.2	94	93.3	80.5	114.4	74.4	78.8	92.4	68.7	86.03
Maximum	161	121	125	222	191	177	210	205	104	154	332	103	332
INFLUENT BOD (lbs/day)													
Average	7,056	8,180	6,271	6,938	6,172	5,430	5,776	6,662	5,388.5	5,296	5,428	6,092	6,300
Maximum	13,527	15,671	12,495	11,668	10,842	3,896	19,404	10,955	12,399	12,130	7,948	11,230	19,404
INFLUENT TSS (lbs/day)													
Average	6,729	9,441	5,454	12,096	8,551	5,566	5,750	7,786	5,157	4,458	5,354	5,346	6,807
Maximum	16,014	21,766	8,255	50,788	21,392	10,013	29,315	16,682	13,493	13,536	15,816	15,693	50,788
EFFLUENT BOD (mg/L)													
Average	9.4	11.5	15.8	15.2	9.7	8.8	5.8	5.6	5.4	5	7.4	7.1	8.89
Weekly Maximum	15	19	27	29	12	14	8	9	11	8	14	18	29
EFFLUENT TSS (mg/L)													
Average	9.3	12.4	12.6	16.6	12	10.9	7	8.3	9	6.7	10.3	10.3	10.45
Weekly Maximum	12	30	17	27	21	16	10	12	15	10	18	24	30
EFFLUENT BOD (lbs/day)													
Average	875	1,436	977	1,946	872	580	438	433	369	280	529	575	775.91
Weekly Maximum	1,329	2,954	1,790	5,698	2,281	1,435	1,088	851	732	574	1,536	1,845	5,698
EFFLUENT TSS (lbs/day)													
Average	882	1,842	790	2,403	1,151	695	539	664	619	374	751	964	972.82
Weekly Maximum	1,476	8,057	1,239	7,326	4,790	1,127	1,554	1,701	1,267	957	2,374	5,577	8,057
EFFLUENT CL2 (mg/L)													
Average	1.21	1.09	1.25	1.1	1.16	1.18	1.09	1.01	1.08	1.13	1.23	1.24	1.15
Maximum	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.40
EFFLUENT COLIFORM (col/100-ml)													
Average (Geo)	2.46	3.06	2.07	2.41	2.72	4.1	2.56	2.51	2.53	2.19	2.04	2.32	2.58
Weekly Maximum (Geo)	4.14	4.79	2.3	2.76	3.95	12	5.85	3.53	5.92	2.74	2.21	2.29	12.00
EFFLUENT pH (su)													
Minimum	7.16	7.32	7.06	7.14	7.14	6.94	7.19	7.2	7.21	7.12	6.84	6.99	6.84
Maximum	7.83	7.69	7.74	7.78	7.92	7.34	7.89	7.41	8.93	7.52	7.65	7.7	8.93
DISPOSED SLUDGE (dry tons)													
Average per day	4.05	3.34	6.43	4.88	4.06	6.04	5.97	3.29	5.37	2.76	3.94	4.9	5
Total	85	46.82	89.98	78.13	73.03	90.63	96	59	59.02	46.9	74.81	93.03	892
ELECTRICITY (kwhr)													
Average per day	10,393	14,807	9,580	15,219	8,841	9,432	10,302	10,344	9,971	9,565	9,274	10,130	10,655
Total (kwhr)	322,184	414,602	296,980	456,577	282,926	282,954	319,355	268,938	339,000	277,380	268,943	344,410	3,874,249
RAINFALL (inches) West Bank													
TOTAL	6.60	9.08	0.60	15.07	5.29	7.41	0.70	5.44	5.13	2.50	1.20	5.01	64.03

SEWERAGE AND WATER BOARD OF NEW ORLEANS

New Orleans East Bank Sewerage Treatment Plant 2013 Yearly Summary

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2013
Plant EF Flow (MGD)													
Average	111,265	122.3	83.5	121,267	99,039	77,197	96,694	97,287	105.18	82,919	87.2	94,968	98
Maximum	181.7	191	103.5	181.9	181.9	134.1	140.3	147.0	177.2	123.5	138	175.9	191
INFLUENT BOD (mg/L)													
Average	93.6	121.5	106.2	96.5	100	261.1	107.4	100.3	99.4	108.5	96.7	89.2	115
Maximum	214	175	212	372	378	399	156	157	189	225	134	130	399
INFLUENT TSS (mg/L)													
Average	119.8	162	119.5	163.5	138.9	289.3	161.1	160.8	142.4	147.9	114.5	88.8	151
Maximum	322	258	274	339	479	450	259	262	269	406	188	155	479
INFLUENT BOD (lbs/day)													
Average	79,702	121,720	75,039	102,080	86,398	188,916	89,547	72,769	73,275	83,434	69,081	63,743	92,142
Maximum	232,140	180,126	151,948	330,405	280,217	338,116	118,607	128,524	127,800	248,939	105,064	90,821	338,116
INFLUENT TSS (lbs/day)													
Average	105,851	167,670	82,901	167,653	124,699	207,127	134,962	126,345	113,239	112,586	82,881	59,944	123,822
Maximum	371,832	320,898	201,702	470,337	287,658	292,325	267,179	261,392	305,185	373,672	140,588	112,744	470,337
EFFLUENT BOD (mg/L)													
Average	19.4	17.1	22.8	20	13.2	19.8	25.6	23.2	25.4	21.1	22.7	24.8	21.3
Weekly Maximum	31.2	31.8	42.5	39.4	25.2	39.8	38.3	37.1	41.7	34.9	39	52	52.0
EFFLUENT TSS (mg/L)													
Average	16	15.9	15.1	17.4	12.7	13.2	13.4	10.7	13.7	15.4	20.7	22.3	15.5
Weekly Maximum	26	58	26.8	34	39	30	35	21	34	31	108	85	108.0
EFFLUENT BOD (lbs/day)													
Average	17,642	17,332	15,802	19,557	11,456	12,969	20,836	18,287	22,198	14,771	16,557	19,795	17,267
Weekly Maximum	32,220	38,562	29,916	32,594	34,825	42,723	44,815	25,363	36,412	35,947	36,382	53,839	53,839
EFFLUENT TSS (lbs/day)													
Average	15,319	17,050	10,454	18,050	11,571	8,684	10,967	8,757	12,635	10,973	15,588	19,830	13,323
Weekly Maximum	37,904	87,844	17,613	44,235	53,896	33,552	28,256	17,164	46,646	31,930	75,660	124,696	124,696
EFFLUENT CL2 (mg/L)													
Average	0.49	0.49	0.48	0.48	0.48	0.47	0.48	0.48	0.48	0.48	0.49	0.48	0.48
Maximum	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.50
EFFLUENT COLIFORM (col/100-ml)													
Average (Geo)	2.6	2.83	3.01	3.91	9.25	4.35	4.58	2.38	4.64	3.5	2.99	4.89	4
Weekly Maximum (Geo)	4.32	3.5	4.76	5.44	15.85	8.37	10.12	3.07	8.89	5.98	5.28	8.09	16
EFFLUENT pH (su)													
Minimum	6.61	6.61	6.53	6.45	6.62	6.35	6.83	6.79	6.76	3.79	6.65	6.63	3.79
Maximum	7.07	7.13	7.04	7	7.01	7.05	7	6.94	9.88	3.92	7.01	6.93	9.88
DISPOSED SLUDGE (dry tons)													
Average per day	29.45	25.49	19.75	31.92	30.63	12.4	20.18	24.63	25.09	33.12	29.8	28.14	25.88
Total	728.21	586.32	717.2	925.73	796.26	263.48	625.6	763.5	752.67	993.65	445.44	590.98	8,189
ELECTRICITY (kwhr)													
Average per day	63,768	74,300	62,955	78,120	73,800	65,032	69,533	67,194	70,903	72,258	73,733	73,794	70,449
Total (kwhr)	1,976,800	2,080,400	1,951,600	2,343,600	2,066,400	2,016,000	2,086,000	2,083,000	2,198,000	2,240,000	2,212,000	2,287,600	25,541,400
RAINFALL (inches) East Bank													
TOTAL	7	9.2	0.87	12.05	4.34	4.77	4.0	2.46	6.66	1.84	1.64	4.81	59.64

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ANNUAL REPORT 2013 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2013
SEWER TABULATION NUMBER 1
SEWER LINES AND MANHOLES IN THE SYSTEM AS OF DECEMBER 31, 2013

SEWER LINES DISCARDED AND INSTALLED IN 2013

ORIGINAL CONSTRUCTION (FEET)	DESTROYED OR ABANDONED IN 2013 (FEET)	BUILT IN 2013 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2013 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2013 (MILES)
8,093,831.3	107,453.4	127,007.3	8,113,385.2	1,536.626

SEWER MANHOLES REMOVED AND INSTALLED IN 2013

ORIGINAL CONSTRUCTION	REMOVED IN 2013	BUILT IN 2013	REMAINING IN THE SYSTEM AS OF 12/31/2013
22,983	19	23	22,987

DETAILS OF SEWER LINES AND SEWER MANHOLES INSTALLED (CONSTRUCTED) IN 2013

ITEMS	BOARD FUNDED	BY OTHERS	TOTAL FEET	TOTAL MILES
6" P.V.C.	19,807.3	3,278.2	23,085.5	4.372
8" P.V.C.	92,088.0	8,971.5	101,059.5	19.140
10" P.V.C.	979.0	0.0	979.0	0.185
12" P.V.C.	787.0	0.0	787.0	0.149
15" P.V.C.	438.0	0.0	438.0	0.083
18" P.V.C.	626.3	0.0	626.3	0.119
24" P.V.C.	32.0	0.0	32.0	0.006
TOTAL SEWER LINES CONSTRUCTED IN 2013	114,757.6	12,249.7	127,007.3	24.054
SEWER MANHOLES CONSTRUCTED IN 2013	BOARD FUNDED	BY OTHERS	TOTAL MANHOLES BUILT IN 2012	
	4	19	23	

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ANNUAL REPORT 2013 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2013
SEWER TABULATION NUMBER 2
LENGTH OF SEWER LINES OF EACH SIZE AND MATERIAL DISCARDED, BUILT, AND NOW REMAINING IN THE SYSTEM

SIZE & MATERIAL OF SEWER	TOTAL LENGTH IN SYSTEM AS OF 12/31/2012	DESTROYED OR ABANDONED IN 2013	BUILT IN 2013	NOW REMAINING IN THE SYSTEM AS OF 12/31/2013
72" Steel	29,182.4			29,182.4
68" Steel	9,061.9			9,061.9
66" Steel	28,979.7			28,979.7
66" Concrete	13,740.7			13,740.7
60" Steel	2,577.7			2,577.7
60" Concrete	722.8			722.8
57" Concrete	1,766.8			1,766.8
54" Steel	44,014.5			44,014.5
54" Concrete	7,030.4			7,030.4
51" Concrete	755.9			755.9
50" Steel	135.0			135.0
48" Steel	21,147.2			21,147.2
48" Concrete	10,127.6			10,127.6
48" Fiberglass Reinforced	10,900.2			10,900.2
48" P.V.C.	3,663.4			3,663.4
45" Concrete	3,048.4			3,048.4
42" Steel	3,580.2			3,580.2
42" Concrete	19,121.2			19,121.2
39" Brick	832.8			832.8
39" Concrete	3,871.8			3,871.8
36" Vitrified Clay	1,894.9			1,894.9
36" Cast Iron	431.0			431.0
36" Steel	332.6			332.6
36" Prestressed Concrete	11,273.0			11,273.0
36" Reinforced Concrete	9,312.7			9,312.7
36" P.V.C.	10,604.0			10,604.0
33" Brick	3,080.9			3,080.9
33" Vitrified Clay	562.3			562.3
33" Reinforced Concrete	1,381.4			1,381.4
30" Brick	2,763.0			2,763.0
30" Vitrified Clay	7,538.5			7,538.5
30" Cast Iron	4,305.9			4,305.9
30" Steel	3,535.2			3,535.2
30" Prestressed Concrete	484.0			484.0
30" Reinforced Concrete	33,920.5			33,920.5
30" Fiberglass Reinforced	16,400.0			16,400.0
30" P.V.C.	996.0			996.0
27" Vitrified Clay	24,440.4			24,440.4
27" Reinforced Concrete	13,336.4			13,336.4
27" P.V.C.	4,622.0			4,622.0
24" Vitrified Clay	31,572.2			31,572.2
24" Cast Iron	16,269.2			16,269.2
24" Ductile Iron	619.0			619.0
Total Linear Feet	8,093,831.3	107,453.4	127,007.3	8,113,385.2
Total Miles	1,532,923	20,351	24,054	1,536,626

SIZE & MATERIAL OF SEWER	TOTAL LENGTH IN SYSTEM AS OF 12/31/2012	DESTROYED OR ABANDONED IN 2013	BUILT IN 2013	NOW REMAINING IN THE SYSTEM AS OF 12/31/2013
24" Steel	87.0			87.0
24" Reinforced Concrete	26,569.0	32.0		26,537.0
24" Asbestos Cement	4,924.2			4,924.2
24" P.V.C.	5,917.6		32.0	5,949.6
21" Reinforced Concrete	11,238.1			11,238.1
21" P.V.C.	4,746.4			4,746.4
20" Ductile Iron Pipe	1,991.4			1,991.4
18" P.V.C.	17,333.7		626.3	17,960.0
16" Steel	120.0			120.0
16" Asbestos Cement	28,460.9			28,460.9
16" Plastic	1,913.1			1,913.1
15" Vitrified Clay	100,481.9	738.3		99,743.6
15" P.V.C.	12,608.9		438.0	13,046.9
15" Plastic Truss	1,766.8			1,766.8
12" Vitrified Clay	110,055.1	787.0		109,268.1
12" P.V.C.	64,803.9		787.0	65,590.9
10" Vitrified Clay	158,600.9	674.0		157,926.9
10" Steel	130.0			130.0
10" Concrete	50,891.1	305.0		50,586.1
10" Asbestos Cement	4,356.2			4,356.2
10" P.V.C.	126,848.8		979.0	127,827.8
10" Plastic Truss	4,983.5			4,983.5
8" Terra Cotta	332,875.5	10,497.6		322,377.9
8" Vitrified Clay	4,240,226.7	83,458.5		4,156,768.2
8" Cast Iron	32,210.2			32,210.2
8" Ductile Iron	2,233.0			2,233.0
8" Concrete	276,967.0	1,853.9		275,113.1
8" Asbestos Cement	3,887.9			3,887.9
8" P.V.C.	557,269.1		101,059.5	658,328.6
8" Plastic Truss	66,756.5	3,344.4		63,412.1
8" Plastic	693,824.4	704.8		693,119.6
6" Terra Cotta	9,194.7			9,194.7
6" Vitrified Clay	79,857.0	3,334.6		76,522.4
6" Cast Iron	4,204.4			4,204.4
6" Asbestos Cement	4,493.9			4,493.9
6" P.V.C.	261,997.6		23,085.5	285,083.1
6" Plastic Truss	2,385.1	621.8		1,763.3
6" Plastic	365,977.8	1,101.5		364,876.3
4" Cast Iron	874.2			874.2
4" Ductile Iron	180.4			180.4
4" P.V.C.	5,525.7			5,525.7
4" Plastic	126.0			126.0
Total Linear Feet	8,093,831.3	107,453.4	127,007.3	8,113,385.2
Total Miles	1,532,923	20,351	24,054	1,536,626

**SEWERAGE AND WATER BOARD OF NEW ORLEANS
ANNUAL REPORT 2013 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2013**

WATER TABULATION NUMBER 1

WATER LINES, MANHOLES, VALVES, AND FIRE HYDRANTS IN THE SYSTEM AS OF DECEMBER 31, 2013

WATER LINES DISCARDED AND INSTALLED IN 2013

ORIGINAL CONSTRUCTION (FEET)	DESTROYED OR ABANDONED IN 2013 (FEET)	BUILT IN 2013 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2013 (FEET)	REMAINING IN THE SYSTEM AS OF 12/31/2013 (MILES)
9,529,096.1	43,091.3	48,834.1	9,534,838.9	1,805.841

WATER MANHOLES REMOVED AND INSTALLED IN 2013

ORIGINAL CONSTRUCTION	REMOVED IN 2013	BUILT IN 2013	REMAINING IN THE SYSTEM AS OF 12/31/2013
30,194	64	167	30,297

WATER VALVES REMOVED AND INSTALLED IN 2013

ORIGINAL CONSTRUCTION	REMOVED IN 2013	INSTALLED IN 2013	REMAINING IN THE SYSTEM AS OF 12/31/2013
29,521	64	172	29,629

FIRE HYDRANTS REMOVED AND INSTALLED IN 2013

ORIGINAL CONSTRUCTION	REMOVED IN 2013	INSTALLED IN 2013	REMAINING IN THE SYSTEM AS OF 12/31/2013
23,078	34	55	23,099

DETAILS OF WATER LINES, MANHOLES, VALVES, AND FIRE HYDRANTS INSTALLED (CONSTRUCTED) IN 2013

ITEMS	BOARD FUNDED	BY OTHERS	TOTAL FEET	TOTAL MILES
2" P.V.C.	0.0	1,450.6	1,450.6	0.275
4" DUCTILE IRON	0.0	190.8	190.8	0.036
4" P.V.C.	0.0	422.5	422.5	0.080
6" DUCTILE IRON	1,294.6	1,956.8	3,251.4	0.616
6" P.V.C.	1,849.0	2,037.4	3,886.4	0.736
8" DUCTILE IRON	830.0	104.0	934.0	0.177
8" P.V.C.	24,782.8	3,788.4	28,571.2	5.411
12" DUCTILE IRON	50.0	86.0	136.0	0.026
12" P.V.C.	8,516.3	1,474.9	9,991.2	1.892
TOTAL WATER LINES CONSTRUCTED IN 2013	37,322.7	11,511.4	48,834.1	9.249
WATER MANHOLES CONSTRUCTED IN 2013	BOARD FUNDED	BY OTHERS	TOTAL MANHOLES BUILT IN 2013	
	67	100	167	
WATER VALVES INSTALLED IN 2013	BOARD FUNDED	BY OTHERS	TOTAL WATER VALVES INSTALLED IN 2013	
	72	100	172	
FIRE HYDRANTS INSTALLED IN 2013	BOARD FUNDED	BY OTHERS	TOTAL FIRE HYDRANTS INSTALLED IN 2013	
	44	11	55	

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ANNUAL REPORT 2013 - FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2013

WATER TABULATION NUMBER 2

LENGTH OF WATER LINES OF EACH SIZE AND MATERIAL, NUMBER OF VALVES OF EACH SIZE, BOTH GATE AND CHECK,
ORIGINALLY INSTALLED, THE QUANTITIES DISCARDED OR BUILT, AND THE QUANTITIES NOW REMAINING IN THE DISTRIBUTION SYSTEM

WATER LINES					
SIZE	MATERIAL	TOTAL LENGTH IN SYSTEM AS OF 12/31/2012	DESTROYED OR ABANDONED IN 2013	BUILT IN 2013	NOW REMAINING IN THE SYSTEM AS OF 12/31/2013
54"	Concrete Pipe	7,535.1			7,535.1
50"	Steel Pipe	88,374.0			88,374.0
48"	Cast Iron Pipe	12,759.3			12,759.3
48"	Steel Pipe	36,637.1			36,637.1
48"	Concrete Pipe	4,982.9			4,982.9
43"	Cast Iron Pipe	11,170.1			11,170.1
42"	Cast Iron Pipe	4,349.6			4,349.6
42"	Concrete Pipe	9,361.9			9,361.9
36"	Cast Iron Pipe	4,523.3			4,523.3
36"	Steel Pipe	16,922.0			16,922.0
36"	Concrete Pipe	37,374.7			37,374.7
36"	Prestressed Concrete	675.0			675.0
30"	Cast Iron Pipe	59,740.1			59,740.1
30"	Ductile Iron Pipe	35.0			35.0
30"	Steel Pipe	19,863.1			19,863.1
30"	Concrete Pipe	72,143.4			72,143.4
30"	Prestressed Concrete	36,654.4			36,654.4
30"	Reinforced Concrete	3,919.6			3,919.6
30"	P.V.C. Pipe	2,602.1			2,602.1
24"	Cast Iron Pipe	30,450.0			30,450.0
24"	Concrete Pipe	4,062.5			4,062.5
21"	P.V.C. Pipe	10,270.5			10,270.5
20"	Cast Iron Pipe	87,785.9			87,785.9
20"	Ductile Iron Pipe	10,405.4			10,405.4
20"	Concrete Pipe	18,755.8			18,755.8
20"	Prestressed Concrete	212.5			212.5
20"	Asbestos Cement	12,688.0			12,688.0
18"	Reinforced Concrete	970.5			970.5
16"	Cast Iron Pipe	112,496.7			112,496.7
16"	Ductile Iron Pipe	6,692.7			6,692.7
16"	Concrete Pipe	5,681.6			5,681.6
16"	Asbestos Cement	65,284.2			65,284.2
16"	P.V.C. Pipe	12,154.4			12,154.4
15"	Reinforced Concrete	1,069.3			1,069.3
12"	Cast Iron Pipe	848,568.1	7,823.0		840,745.1
12"	Ductile Iron Pipe	16,620.5		136.0	16,756.5
12"	Steel Pipe	1,272.9			1,272.9
12"	Asbestos Cement	360,060.2			360,060.2
12"	P.V.C. Pipe	211,499.3		9,991.2	221,490.5
10"	Cast Iron Pipe	10,271.7			10,271.7
10"	Ductile Iron Pipe	670.0			670.0
10"	Asbestos Cement	12,763.6			12,763.6
10"	P.V.C. Pipe	7,896.0			7,896.0
8"	Cast Iron Pipe	117,187.2	1,903.0		115,284.2
8"	Ductile Iron Pipe	36,621.0		934.0	37,555.0
8"	Asbestos Cement	697,824.4			697,824.4
8"	P.V.C. Pipe	780,170.9		28,571.2	808,742.1
8"	Plastic Pipe	318,036.5			318,036.5
6"	Cast Iron Pipe	2,491,039.6	18,462.6		2,472,577.0
6"	Ductile Iron Pipe	17,521.3	7.7	3,251.4	20,765.0
6"	Asbestos Cement	1,042,442.1	3,543.6		1,038,898.5
6"	P.V.C. Pipe	295,119.4	526.0	3,886.4	298,479.8
6"	Plastic Pipe	121,385.5			121,385.5
4"	Cast Iron Pipe	1,176,760.3	8,680.4		1,168,079.9
4"	Ductile Iron Pipe	2,655.0		190.8	2,845.8
4"	Asbestos Cement	24,395.8	2,145.0		22,250.8
4"	P.V.C. Pipe	22,705.4		422.5	23,127.9
4"	Plastic Pipe	3,833.1			3,833.1
3"	Galvanized Steel	3,361.7			3,361.7
2"	Cast Iron Pipe	7,909.9			7,909.9
2"	Galvanized Steel	9,620.0			9,620.0
2"	P.V.C. Pipe	76,935.4		1,450.6	78,386.0
1"	Galvanized Steel	5,346.6			5,346.6
Total Linear Feet		9,529,096.1	43,091.3	48,834.1	9,534,838.9
Total Miles		1,804.753	8.161	9.249	1,805.841

VALVES				
SIZE	EXISTING IN SYSTEM AS OF 12/31/2012	REMOVED IN 2013	INSTALLED IN 2013	REMAINING IN SYSTEM AS OF 12/31/2013
48"	16			16
42"	4			4
36"	18			18
30"	66			66
24"	39			39
20"	133			133
16"	193			193
14"	3			3
12"	2,308	13	14	2,309
10"	65			65
8"	6,591	22	98	6,667
6"	12,948	23	39	12,964
4"	7,137	6	21	7,152
Total	29,521	64	172	29,629

SEWERAGE AND WATER BOARD OF NEW ORLEANS

Table of Rainfall in New Orleans
As of December 31, 2012

Last Ten Years

YEAR No.	YEAR	JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER		ANNUAL AVERAGE	EXCESS OR DEFICIT
		AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE	AMOUNT	TOTAL TO DATE		
110	1	0.12	6.08	6.20	4.65	10.85	16.24	2.32	18.56	17.78	36.35	9.17	45.52	3.53	49.05	2.50	51.55	3.24	54.79	5.01	59.80	2.11	61.91	5.16	2.56		
	total	508.42	502.64	1,013.33	571.63	1,584.96	530.01	2,121.93	528.24	2,648.21	617.80	3,274.05	712.06	3,986.11	643.58	4,629.69	628.92	5,258.59	348.70	5,607.29	408.48	6,018.63	512.19	6,528.37			
	avg.	4.92	4.57	9.21	5.20	14.41	4.82	19.29	4.78	24.07	5.62	29.76	6.47	36.24	5.85	42.09	5.72	47.81	3.17	50.98	3.71	54.72	4.66	59.35			
2004	1	3.34	8.10	11.44	0.95	12.43	8.30	20.73	7.38	28.11	10.31	38.42	4.78	43.20	4.18	47.38	1.07	48.45	5.55	54.00	6.08	60.08	2.76	62.84	5.24	61.72	
	total	3.46	14.18	17.64	5.64	23.28	13.69	36.97	9.70	46.67	28.10	74.77	13.95	88.72	7.71	96.43	3.57	100.00	8.79	108.79	11.09	119.88	4.87	124.75			
	avg.	0.03	0.13	0.16	0.05	0.21	0.12	0.33	0.09	0.42	0.25	0.67	0.13	0.80	0.07	0.87	0.03	0.90	0.08	0.98	0.10	1.08	0.04	1.12			
2005	1	3.65	9.03	12.68	3.88	16.54	6.48	23.02	4.01	27.03	4.29	31.32	11.62	42.94	14.55	57.49	0.86	58.35	0.06	58.41	1.23	59.64	2.95	62.60	5.22	60.83	
	total	7.11	23.21	30.32	9.50	39.82	20.17	59.99	13.71	73.70	32.39	106.09	25.57	131.66	22.26	153.92	4.43	158.35	8.85	167.20	12.32	179.52	7.83	187.35			
	avg.	0.06	0.21	0.27	0.06	0.36	0.19	0.54	0.12	0.68	0.28	0.95	0.23	1.18	0.20	1.37	0.04	1.41	0.08	1.49	0.11	1.60	0.07	1.67			
2006	1	2.80	2.72	5.32	0.25	5.57	3.16	8.73	0.76	9.49	2.16	11.65	8.40	20.05	6.40	26.45	2.89	29.34	3.03	32.37	2.94	35.31	10.55	45.86	3.82	43.80	
	total	9.71	25.93	35.64	9.75	45.39	23.33	68.72	14.47	83.19	34.55	117.74	33.97	151.71	28.68	180.37	7.32	187.69	11.88	199.57	15.26	214.83	18.38	233.21			
	avg.	0.09	0.23	0.32	0.08	0.40	0.21	0.91	0.13	0.74	0.31	1.04	0.30	1.34	0.25	1.60	0.06	1.66	0.11	1.77	0.14	1.90	0.16	2.06			
2007	1	4.12	1.81	5.93	1.38	7.31	1.81	9.12	8.51	17.63	4.43	22.06	7.66	29.72	1.64	31.36	4.42	35.78	11.62	47.40	1.21	48.61	4.52	53.13	4.43	50.62	
	total	13.83	27.74	41.57	11.13	52.70	25.14	77.84	22.98	100.82	38.98	139.80	41.63	181.43	30.30	211.73	11.74	223.47	23.50	246.97	16.47	263.44	22.90	286.34			
	avg.	0.12	0.24	0.38	0.10	0.46	0.22	0.88	0.20	0.88	0.34	1.23	0.37	1.59	0.27	1.86	0.10	1.96	0.21	2.17	0.14	2.31	0.20	2.51			
2008	1	6.32	5.64	11.96	2.57	14.53	7.88	22.41	7.76	30.17	8.52	38.69	3.91	40.60	7.77	48.37	7.87	56.24	1.36	57.60	2.06	59.66	1.85	61.52	5.13	58.50	
	total	20.15	33.38	53.53	13.70	67.23	33.02	100.25	30.74	130.99	45.50	176.49	45.54	222.03	38.07	260.10	19.61	279.71	24.86	304.57	18.53	323.10	24.76	347.88			
	avg.	0.18	0.29	0.47	0.12	0.58	0.29	0.87	0.27	1.14	0.40	1.53	0.40	1.93	0.33	2.26	0.17	2.43	0.22	2.65	0.16	2.81	0.22	3.02			
2009	1	5.16	2.97	8.13	6.17	14.30	1.21	15.51	2.46	17.96	2.40	20.36	3.82	24.18	4.62	28.80	7.45	36.25	7.57	43.82	0.78	44.60	19.81	64.41	5.37	60.85	
	total	25.31	36.35	61.66	19.87	81.53	34.23	115.76	33.20	148.96	47.90	196.85	49.36	246.21	42.69	288.90	27.06	315.96	32.43	348.39	19.31	367.70	44.57	412.27			
	avg.	0.22	0.31	0.53	0.17	0.70	0.30	1.00	0.29	1.28	0.41	1.70	0.43	2.12	0.37	2.49	0.23	2.72	0.28	3.00	0.17	3.17	0.38	3.55			
2010	1	1.75	5.91	7.66	2.74	10.40	2.97	13.37	6.12	19.49	7.24	26.73	5.92	32.35	9.58	41.93	2.28	44.19	0.39	44.58	2.32	46.90	1.58	48.49	4.04	44.55	
	total	27.06	42.26	69.32	22.61	91.93	37.20	129.12	39.32	168.44	55.14	223.58	54.98	278.56	52.27	330.83	29.32	360.15	32.83	392.97	21.83	414.81	48.15	460.75			
	avg.	0.23	0.36	0.59	0.19	0.79	0.32	1.10	0.34	1.44	0.47	1.91	0.47	2.38	0.45	2.83	0.25	3.08	0.28	3.36	0.18	3.54	0.39	3.94			
2011	1	2.99	1.59	4.59	6.48	11.08	0.27	11.35	0.90	12.25	4.18	16.42	11.48	27.91	1.57	29.48	9.99	39.47	0.14	39.61	1.66	41.27	0.78	42.04	3.50	37.78	
	total	30.05	43.86	73.91	29.10	103.01	37.47	140.48	40.21	180.69	59.32	240.01	66.46	306.47	53.84	360.31	39.31	399.62	32.97	432.58	23.29	455.88	46.92	502.80			
	avg.	0.25	0.37	0.63	0.25	0.87	0.32	1.19	0.34	1.53	0.50	2.03	0.56	2.60	0.46	3.05	0.33	3.39	0.28	3.67	0.20	3.86	0.40	4.26			
2012	1	1.74	3.38	5.12		5.12	5.12	5.12		5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	5.12	0.43	0.85	
	total	31.79	47.23	79.03	29.10	108.12	37.47	145.59	40.21	185.81	59.32	245.12	66.46	311.58	53.84	365.43	38.31	404.73	32.97	437.70	23.29	460.99	46.92	507.91			
	avg.	0.27	0.40	0.66	0.24	0.91	0.31	1.22	0.34	1.56	0.50	2.06	0.56	2.62	0.45	3.07	0.33	3.40	0.28	3.68	0.20	3.87	0.39	4.27			

SEWERAGE AND WATER BOARD OF NEW ORLEANS

COST OF OPERATIONS IDENTIFICATION PROGRAM BENCHMARKING 2013

ADMINISTRATIVE SERVICES DEPARTMENT

Insurance Cost per Employee:

Workers' Compensation	\$	1,783.93
Auto Liability	\$	259.92
General Liability	\$	31.64

ENGINEERING DEPARTMENT

Total Capital Program Design and Construction Contracts Cost Growth		7.0%
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ENVIRONMENTAL DEPARTMENT

Cost of Typical Industry Sampling Event	\$	1,059.87
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FACILITY MAINTENANCE DEPARTMENT

Cost to set 5/8" water meter	\$	94.59
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MANAGEMENT SERVICES DEPARTMENT

FINANCE:

Cost to Process a Miscellaneous Invoice	\$	29.32
Cost to Process a Vendor Invoice	\$	10.31
Cost to Process a Paycheck	\$	2.30

INFORMATION SYSTEM:

Cost to Image a Document	\$	0.22
Cost to Retrieve a Document	\$	3.27

PERSONNEL:

Cost to Hire an Employee	\$	166.86
Cost to complete a Voluntary - Employee Termination	\$	16.27
Employee Turnover Rate		9.15%
Cost to Train an Employee	\$	308.90

PURCHASING:

Cost to Process a Sundry Purchase Order	\$	49.46
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REVENUE:

Cost to Read a Meter	\$	1.29
Cost to Render a Bill (Less Meter Reading)	\$	0.91
Cost to Manage a Customer by Phone	\$	3.39
Cost to Manage a Customer by Mail	\$	5.34
Cost to Manage a Walk-in Customer	\$	5.70
Cost to Process a Mail-in Payment	\$	0.51
Cost to Process a Walk-in Payment	\$	2.15

SUPPORT SERVICES DEPARTMENT

Average Annual Maintenance Cost	\$	1,500.00
Per Piece of Equipment		20%

